

ADM.
MARY

SALES man- age- ment

★

THE MAGAZINE OF
MODERN MARKETING

MARCH 1, 1935

TWENTY CENTS



SCHOLARS: Salesmen-students at the General Electric school of air conditioning, Schenectady, take time off for a little typical undergraduate romping. See story, page 252.



ESSO BOSS: Sales Manager R. T. Hastiam will direct market activities of the Standard Oil Companies of New Jersey, Pennsylvania, and Louisiana and Colonial Beacon Oil. He's been associated with SO since 1923.



FRIENDLY: Barron G. Collier, Jr., who sold American Tobacco a \$750,000 car card contract for Lucky Strike cigarettes on the basis of the ad theme, "I am your best friend." See story on page 257.



ELECTRO'S MASTERS: Gerald Hulett, v.p., and Salesman James Knight, right, of Electromaster, Inc., Detroit, look upon one of the new models with pride. By renting ranges for six months and letting the housewife buy only if she wants to, the company has boosted its sales volume 118%. Merely telling the prospect that electric cooking is economical and convenient is not nearly as convincing as actual day-by-day trial. Story on page 254.

*PRINTING'S
second greatest
discovery was made
when
Congress overworked
two lawyers*



WASHINGTON was a lawyers' paradise in the years immediately following the Civil War. Pensions . . . Spoilation Claims . . . the Gold Corner and the formation of the first trusts brought to Congress and Law Courts the greatest press of business they had ever known.

Still, this era of prosperity exacted an irksome tribute from those who transacted its details: all legislative and legal proceedings had to be set up in type by hand. It was the expense and delay due to this process that caused two young lawyers, James O. Clephane and Tolbart Lanston, to set out on a search for a mechanical way of doing what men for four hundred years had thought could be done only by hand.

Working independently, they arrived within a year of each other at two different solutions to the same problem. Lanston, taking his idea from a machine in the Government Census Bureau which automatically tabulated statistics, developed the Monotype . . . Clephane, who had been active in the improvement of the typewriter keyboard, devised — with the help of the German mechanic Ottmar Mergenthaler — the Linotype.

These two inventions take their place as first in importance on the list of American contributions to the art of printing . . . A list whose total has been swelled within the past two years by Kimberly-Clark's development of The Perfect Printing Paper—Kleerfect.

Kleerfect is the paper that has made possible fine printing at economically high speeds. For to strength and opacity, Kleerfect adds freedom, for all practical purposes, from two-



sidedness of surface and color and insures printing of equally high quality on both sides.

Kleerfect's color has also eliminated glare, given a more effective contrast with the greatest number of printing inks and types of illustrations and permitted the maximum true reproductive power of one to four printed colors.

To see samples of the superior work that has been done with this new paper—Kleerfect—simply write Kimberly-Clark's advertising office in Chicago.


Kleerfect
REG. U. S. PAT. OFF.
THE PERFECT PRINTING PAPER
MANUFACTURED UNDER U. S. PAT. NO. 1718095

KIMBERLY-CLARK CORPORATION • Established 1872 • **NEENAH, WISCONSIN**
CHICAGO, 8 South Michigan Avenue • NEW YORK, 122 East 42nd Street • LOS ANGELES, 510 West Sixth Street

The Microscope of Attention



Photograph by H. Armstrong Roberts

Is
Focused
On
Your Advertising
In
CHILTON
Publications

The reason for this is obvious. Chilton Publications are business and professional publications, read by business and professional men. They study, through these media, matters of utmost importance to themselves.

There is no divided attention in these lead-

ing magazines. Their editorial and advertising pages are meticulously read.

Here you have concentrated thought directed to your message of sales—and concentrated thought on the part of readers is what makes advertising in Chilton Publications pay.



CHILTON PUBLICATIONS

Blanket the Following Fields

Metals and
Machinery
Hardware
Automotive

Dry Goods and
Department Stores
Shoes, Leather
and Hosiery

Exports
Jewelry
Optical

Warehousing
Insurance
Toys and
Bicycles

CHILTON COMPANY

(INCORPORATED)

Philadelphia — New York

Address CHILTON PUBLICATIONS as Follows:

The Iron Age
Hardware Age
Dry Goods Economist

Dry Goods Economist
Directories
The Jewelers' Circular-Keystone
Distribution & Warehousing*

239 West 39th Street, New York City

Automobile Trade Journal
Commercial Car Journal

The Spectator

Chestnut & 56th Sts., Philadelphia, Pa.

The Optical Journal &
Review of Optometry
Boot and Shoe Recorder

Automotive Industries
Chilton Automotive Buyer's Guide

Toy World & Bicycle World
742 Market St., San Francisco, Calif.

Where-to-Buy in Chicago
300 W. Adams St.
Chicago, Ill.

*Associated Ownership

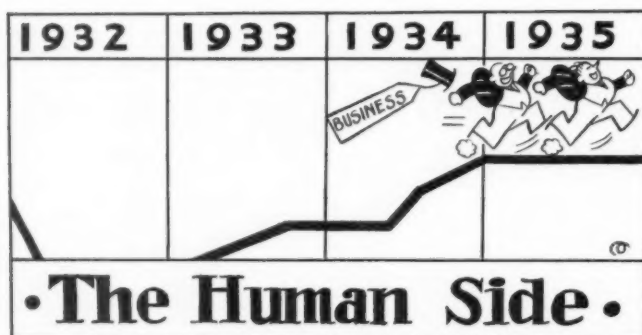
The American Automobile*
(Overseas Edition)

El Automóvil Americano*

Ingeniería Internacional*

El Farmacéutico*

330 W. 42nd St., New York City



Luscious Lard

Brides may dry those tears. Their bullet biscuits and sole leather pie crusts are about to become edible. Swift, Armour, Cudahy and others have finally done something to lard after all these years. For half a century lard has been just lard from hogs . . . hard to mix until you know how. Now it is cream from heaven, blending quickly and easily with flour, sugar and such. Light biscuits and tender, flaky crusts result, say the packers.

Swift does it by passing lard through the "Votator," a tubular machine full of swift little paddles and air pressure—just such a machine as freezes ice cream by the Vogt continuous process and the application of extreme cold. Cudahy fluffs its lard into creaminess by "hydrogenizing" it—shooting hydrogen into it in a vacuum, to make "Clix." Armour offers the country "texturated" lard, using a machine "which literally cuts each pound of lard into 3,500,000 parts and then reassembles them."

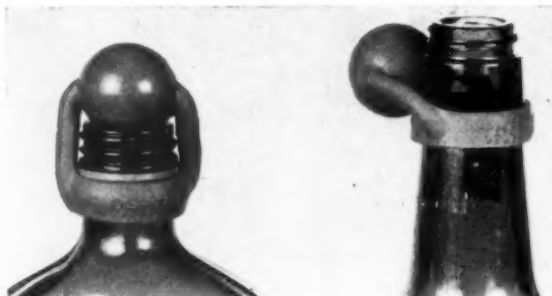
In every case the object is to provide the country's cooks with lard that mixes in half the time with half the labor. Of course, such lard costs a little more. But advertising and promotion campaigns now starting in various parts of the country are aimed to put that over—and to give vegetable shortenings the battle of their lives.

Tos-Top

John C. Toss is a tavernkeeper at Manor Farm, Hanover, New Jersey. In his role of Mine Host, he opens bottles, re-corks them, screws tops on and off all day long. He got tired of wrassling with the reluctant caps and corks, and decided that there should be a better way of closing a bottle that was in frequent use.

Finding that none of the available closures answered the purpose, Mr. Toss invented one. It took a long time and several thousands of dollars, but he feels that his "Tos-Top" is exceptionally practical and convenient. Of molded rubber, the Top has a ball upheld by two arms. The latter connect with a ring that fits around the bottle neck. Once the Top is in place, a flick of a finger pushes the ball back from the bottle's mouth and one can start pouring. Another little push, and the ball bounces over the mouth, closing it tightly. The rubber is washable; and imparts no flavor to the bottle contents. Nor will it disintegrate or rot even under the assaults of Repeal alcohol.

Mr. Toss had a few Tops made up and sold them to his friends. Last Summer he took a trip to Italy and gave several dozen to friends and relatives there. After he had returned to this country, a customer at his tavern showed him one of the gadgets. "I got it in Italy," said the patron, "it's the latest thing over there. Every bar and restaurant, and homes too, ought to use them. Maybe I'll form a company to sell them. Lots of money in this thing." Gen-



No more lost corkscrews

tly, Mr. Toss showed him the legend, "Made in Newark;" explained that the patent had been applied for. But the incident caused the inventor to search for a means of marketing his device.

Eventually he came to Pliny Fisk, Jr. Mr. Fisk, a son of Pliny Senior, former head of the Wall Street banking firm of Harvey Fisk & Son, knows how to launch new ventures. That's his specialty. Together with his associates he started Tos-Top Sales Corporation. To date the company has sold some 50,000 Tops, is just getting ready for bigger things.

Liquor and bitters bottles, ginger ale, grape juice, syrups and other bottles that are opened and closed several times before being emptied are candidates for Tos-Tops, Mr. Fisk declares. Perfume, hair tonic, face and hand lotions, even ketchup bottles need the swift, sure protection of Tos-Tops.

Trade-marks and advertising can be put on the sides of the Tops. Thus they make good premium items. Hotels and steamship lines, which wince when guests steal ash trays and silverware for souvenirs, regard Tos-Tops with a favorable eye also. They are so inexpensive that the management can charge their loss up to advertising and good-will promotion. Besides, the Tops are the sort of novelty that appeal to guest-collectors.

Tos-Top's present developers are beginning modestly. They have offices at 448 Lexington Avenue, New York. Before long, however, they hope millions of bottles will be equipped with their rubber closure. It can be made in a variety of sizes. Perhaps it may graduate from a novelty into a standard article in bottling circles.

Knox Apollo

Among the stimulants at the First International Trade Fair, held recently in Grand Central Palace, New York, was an invitation by Knox Hat Company to the adult males in attendance to compare the contours of their heads with that of Apollo Belvedere.

The Knox people, as you know, have been talking for several years about "ovalized sixteenths." By giving a man sixteenths instead of the customary eighths in sizes, they could fit him closer. And by supplying wide ovals and long ovals, as well as just ovals, they could fit him closer all 'round. The ovals were worked out over a long period as a result of more than 100,000 actual head measurements. Machines were brought in to help in the task.

For their Trade Fair exhibit Knox decided to show exactly how this was done. To make the exhibit even more an attraction, Carl Schmauss, assistant sales manager of the company, in charge of the exhibit, and Harford Powell, of Kimball, Hubbard & Powell, Inc., in charge of the advertising of the fair, put over a plan to do two things more.

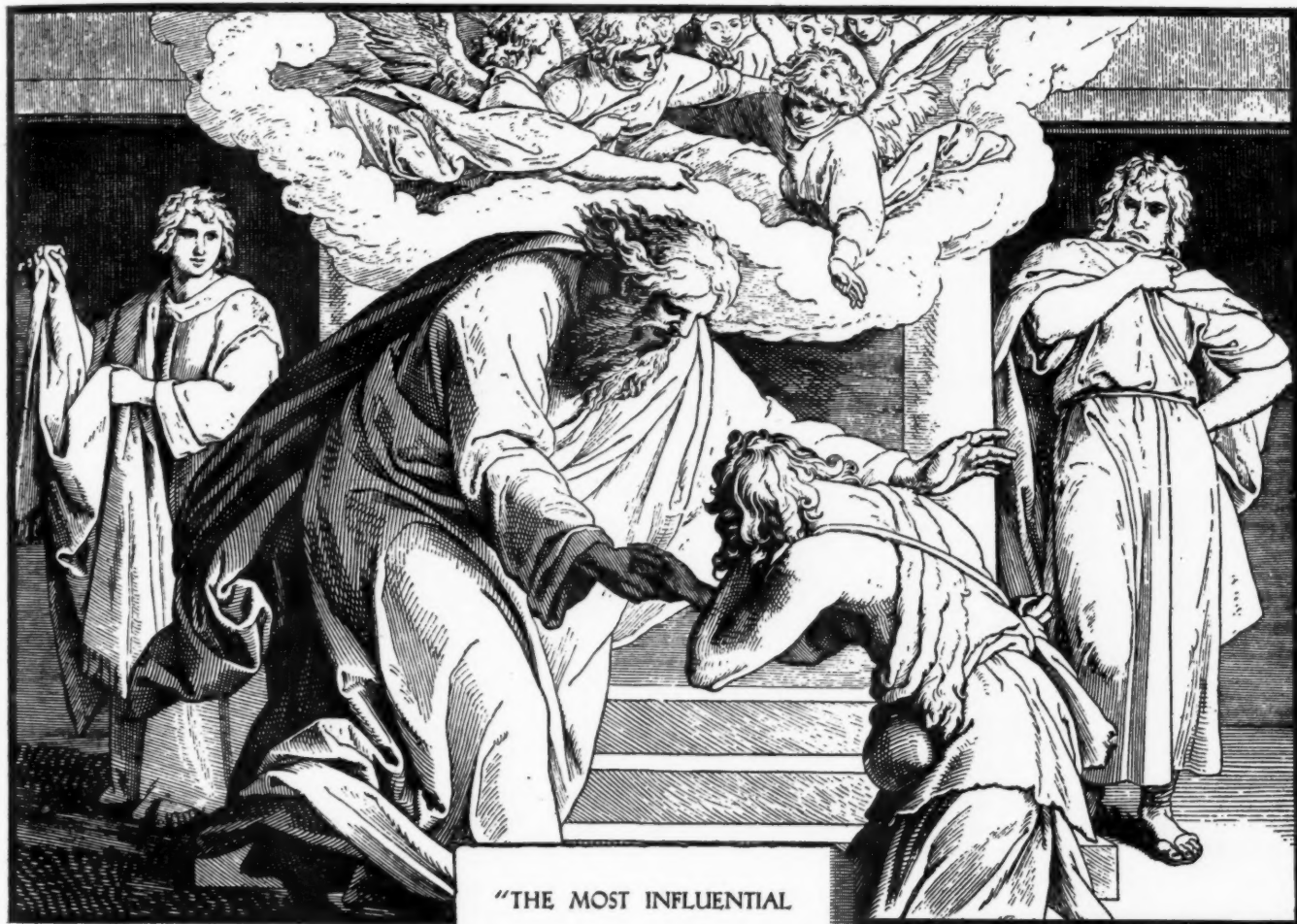
One was to find the "ideal" male head. The statue of Apollo Belvedere by Phidias was chosen as the basis of comparison. Miss Jo Mather, sculptor, was employed to shave the flowing curls from the Apollo, so that the basis would be sound. Then the Knox people offered two \$10 hats every year for life to the owner of the male head which most closely conformed. The judging was done not on the basis of size but of shape. There were consolation prizes of one hat each for the heads next approaching the Apollo's.

Some 101,000 people attended the Trade Fair. Presumably nearly half of these were adult males. And of these 2,301 proceeded to match their heads against Apollo's. The number was greater than anticipated. It was so great, in fact, that it wore out two machines.

The other day the Knox people announced the winner. His name is William L. Kilpatrick. He is metro-

SALES MANAGEMENT, published semi-monthly on the first and fifteenth except in April and October, when it is published three times a month and dated the first, tenth and twentieth; copyrighted and published by Sales Management, Inc., 420 Lexington Ave., New York, N. Y. Subscription price \$4.00 a year in advance. Entered as second-class matter June 1, 1928, at the Post Office, N. Y., under the Act of March 3, 1879. March 1, 1935. Volume XXXVI. No. 3.

"Bring Hither the Fatted Calf"



From a print in the collection of the New York Public Library

"THE MOST INFLUENTIAL BOOKS, AND THE TRUEST IN THEIR INFLUENCE, ARE WORKS OF FICTION", SAID ROBERT LOUIS STEVENSON. "THEY RE-ARRANGE, THEY REPEAT, THEY CLARIFY THE LESSONS OF LIFE"

As tales are counted nowadays, the Parable of the Prodigal Son is a short, short story, for it is told in 524 words.

Yet in the sheer emotion of this simple piece of great fiction the fathers and mothers of 60 generations have found the inspiration of forgiveness and the motive for hospitality.

For not alone during 1900 years has it kindled the hearth-fires for the errant son, but it has kept them bright for the familiar home folks and the welcome guest.

In Today's Great Fiction the essential plots invariably recur...the basic emotions are infinitely repeated. The story of the prodigal has appeared in

many guises...it will appear in many more. But its symbolism remains constant and true.

And the fatted calf is transmuted into a myriad of fine foods, exceeding those of any previous time in history both in variety and richness.

For those of us concerned in their distribution is there any background to compare with Today's Great Fiction...any setting against which the appetizing and appealing story of rare delicacies and staple necessities can be placed to better advantage?

The most stimulating...the most profitable...background for Effective Advertising is the emotional power of Great Fiction. Men who sell know that power. Since, by critical appraisal, *Cosmopolitan* publishes more Great Fiction per issue than any other magazine, it is therefore evident that *Cosmopolitan* is a better advertising medium.

Cosmopolitan

© International Magazine Co., 1935

MARCH 1, 1935

[243]

SALES management

Vol. XXXVI. No. 5

March 1, 1935

CONTENTS

Advertising

- Cooperative Newspaper Advertising to Back New
Jayson Shirt 263
Lucky Strike, in "Friendly" Way, Aims to Re-
store Sales Dominance 257
Old Gold Goes National, Using Magazines,
Newspapers, Humor 280
The Government Takes a Stand on Advertising.. 260

General

- "Package" Houses in 1935 Face Big Interest,
Little Volume 268
Significant Trends 247

Handling and Training Salesmen

- Are Your "Dollar-Hour" Costs for Salesmen's
Travel Too High? 258
By John W. Shaver
GE Turns Loose First Trained Crew of Air Con-
ditioning Men 252
By J. J. Donovan, Manager, Air Conditioning
Department, General Electric Company,
Schenectady, New York
Is a "Nothing Down" Policy Robbing Us of
Good Salesmen? 256
By Robert C. Glenn

Management

- Sound Marketing Practice Is 50% Cost Account-
ing 250
By John Allen Murphy

Markets

- Textile Activity Boosts Purchasing Power in Mill
and Cotton States 276
By Jules Backman and A. L. Jackson, Editors
of Economics Statistics, Inc., New York.

Sales Campaigns

- American Can, in Richmond Test, Finds 91%
Like Canned Beer 259
International Paper Seeks to Bring Million
"Dream Gardens" to Life..... 262
Laundry "Fabric Fashion Shows" Help Make
Peace with Stores..... 261
Slide Fasteners Battle Buttons to Hold up Tots'
Togs 274
Turning a Short-Profit Staple into a Long-Profit
Specialty 264
By S. F. Haxton

Sales Policy

- Range Rental-Trial Plan Pulls Electromaster out
of the Red 254
Based on an interview by D. G. Baird with
R. B. Marshall, President, Electromaster, Inc.,
Detroit, Michigan

Sales Promotion

- Sunkist Aids Science—Now Doctors and Dentists
Help Sell Oranges 269
By W. B. Geissinger, Advertising Manager,
California Fruit Growers Exchange,
Los Angeles, California

EDITORIAL STAFF: RAYMOND BILL, Editor and Publisher;
PHILIP SALISBURY, Executive Editor; A. R. HAHN, Managing Editor;
E. W. DAVIDSON, News Editor; M. E. SHUMAKER, Desk Editor;
F. L. SULLIVAN, Production Manager.

ASSOCIATE EDITORS: JAMES R. DANIELS, LAWRENCE M. HUGHES, LESTER B. COLBY, D. G. BAIRD, MAXWELL DROKE, RAY B. PRESCOTT, L. R. BOULWARE, FRANK WAGGONER.

Published by Sales Management, Inc. RAYMOND BILL, President;
PHILIP SALISBURY, C. E. LOVEJOY, JR., M. V. REED, R. E. SMALLWOOD, Vice-Presidents; T. J. KELLY, Secretary; F. G. FRANCIS, Treasurer. Publication office, 420 Lexington Avenue, New York. Telephone MOhawk 4-1760. Chicago, 333 North Michigan Avenue. Telephone State 1266. Santa Barbara, California, 29 East de la Guerra. Atlanta, Georgia, 303 Mortgage Guarantee Building. Subscription price, \$4.00 a year. Canada, \$6.50. Member Audit Bureau of Circulations. Associated Business Papers, Periodical Publishers Institute.

politan sales manager for Jay-Willfred Company, New York, importers. His head is a long oval, size 7 and 1-16.

Forty-two, blond and unmarried, Mr. Kilpatrick was glad to get the hats, but he balked at the Apollo role. The contest itself had been widely publicized and abundantly photographed. Mr. Powel himself (who does not resemble the Apollo Belvedere) had been shown in some seventeen newspapers. . . . Mr. Kilpatrick, however, is apparently more reticent. When Messrs. Schmauss and Powel sought to photograph him, he balked. The business was getting beneath his executive dignity. Perhaps he feared that the Apollo stigma would remain on him even longer than his supply of hats. As this is written he is still unphotographed.

A Knox Apollo hat is now being introduced, and the Knox Company will conduct contests in cooperation with dealers, with their agency, J. Stirling Getchell, Inc. The first will run in Cincinnati, beginning March 4. Then there will be one in Chicago. If the interest in and sales from these are sufficient, contests will be staged throughout the country.

Apollo, as we recall, never wore a hat, but such things don't matter promotionally. Also, the average male, if the choice were his, doubtless, would prefer to look like Hercules. But the ladies seem to be more interested just now in Apollos. Small wonder that Bachelor Kilpatrick prefers to stay out of the limelight.

Frocks by Hergesheimer

Joseph Hergesheimer wrote a novel a few years ago, which Max Spivak read. It was called "The Party Dress." There was something about the particular dress Hergesheimer wrote about which "did things" to a particular young lady in the story.

Spivak told Meyer Bosnick, dress manufacturer, about it. Soon Gimbel's, New York, and 40 stores in other cities were showing Hergesheimer's "Party Dress" and Bosnick's "party dress" in their windows and in their book and dress departments, with cross references to both. Bosnick got \$40,000 of business from the tie-up.

Spivak specializes in "family promotions." He also specializes in putting other people's events to work for him. Sometimes it's a movie, sometimes a play. . . . Helen Hayes was appearing in a play called "Petticoat Influence" at a time when taffetas were not in vogue. So far as we know taffetas have nothing to do with petticoats, but that did not bother Max Spivak. He prevailed on Miss Hayes, on behalf of Wahneta Silk Company, to wear a taffeta dress in the play. He prevailed on her to talk taffeta in a discussion of "Style in Clothes" in a nation-wide broadcast. And thus he could prevail on Bonwit Teller's, New York, and 30 other stores to help put taffeta back in vogue. An unexpected \$50,000 to Wahneta from this. . . .

Yorkshire Knitting Mills wanted to do something about their sunsuits, swimsuits and suede suits for youngsters and little Davie Lee came along with Al Jolson in the motion picture "Sonny Boy." Spivak worked quickly (the life of a "celebrity promotion" is short—usually not more than eight weeks). Ninety stores were induced to capitalize on the captivating Davie. Two hundred and fifty thousand dollars from this for Yorkshire.

"Of course," says Spivak, "the harnessing of the event isn't so simple as it sounds. You have to find an appropriate event. You have to be omnivorous in your reading and looking, to find it. You have to have a personality who means something to the people to whom you are trying to sell your merchandise. And you have to coordinate carefully all the trade factors involved. It's a cooperative effort.

"In a few days there will appear a campaign for American Bemberg triple sheer yarns (75 denier). We may or may not have a personality to tie them to. But even so it will be a thorough cooperative job. My client, in this instance, is Wager & Hirsch, fabrics. New York Dress Company is making the dresses and Lord & Taylor will be the New York store to introduce them. American Bemberg and Lord & Taylor will pay for the consumer advertising; New York Dress Company will do trade paper advertising. Wager & Hirsch contribute me. We expect 200 retailers nationally to tie-up with it. This yarn is springtime, silky stuff."

Significant Trends

As seen by the Editors of *Sales Management* for the fortnight ending March 1, 1935:

The Business Fog Lifts

commitments. Business firms now know the definite limits of their indebtedness and may make future commitments accordingly. The Administration now may proceed with its \$5,000,000,000 re-employment program (Congress willing!) with more assurance of control over its budgetary obligations. Bankers are predicting a rapid increase in capital financing.

The Supreme Court ruling on the Gold Case should lift some of the fog of fear and uncertainty which has caused business men in recent months to hesitate about making long-time

● ● ● Much investment activity was held up for months pending the clarification of the gold devaluation policy, and additional funds have continued to pile up so that we have now the unexampled total of about \$2,300,000,000 of reserves over requirements now on deposit with the Federal Reserve Banks by member institutions.

● ● ● Business has been good despite the monetary uncertainty; now it should be better. The general improvement in industrial activity continues to be reflected by advances in electric production and the coal industry. The retail sales decline from December to January was more than seasonal, but seems to have been accentuated by bad weather. Trade reports indicate an improvement in consumer sales during February, especially in the industrial centers. The contra-seasonal increase in residential building permits during January is, we hope, a significant change for the better in the one industry which has been lagging.

● ● ● The composite index of production in 28 most important industries of the country, corrected for seasonal variation, shows that industrial activity is 30% above the 1934 low of last September. Industries showing the greatest increase are, in order: Wool, steel ingots, chemicals, passenger automobiles, pig iron, cotton, tires and anthracite coal.

● ● ● This increase in production activity is reflected also in corporation earnings. Standard Statistics Company says that profits for the first quarter of 1935, estimated on the basis of data available with half of the period passed, will make the best showing since the Spring of 1931.

● ● ● Apparently there has been a favorable angle to the employment situation, despite a lack of real gain in the number of people working, for the Household Finance Corporation reports a rise of 30% last year in number of loans made, and jobs are the first requirements for loans. . . . Reports of the Phoenix Mutual Life Insurance Company tend to substantiate the fact that the average American has more money today than he had a year ago. The company reached an all-time high in policy loan repayments for the month of January, 1935, the gain being 123% over the same month last year. At the same time the company reports a 29% drop in demands for new cash loans compared with last year, and a 21% drop in loans to pay premiums.

● ● ● Executives of companies connected with moderate and small manufacturing businesses should be encouraged by the evident desire on the part of both Administrative and Congressional leaders in Washington to make big businesses less big. Senator Wheeler, for example, has introduced a bill to impose a graduated excise tax on corporations and, while this particular bill may not have Administration approval, the reasoning back of it seems to jibe with that of responsible officials. The Wheeler bill provides for a Federal tax of 2% on a net capital return of more than \$3,000,000, and increases gradually to a high of 25% on returns over \$50,000,000. The bill exempts utilities, insurance companies, and banks. "The continued existence of giant corporations is not necessary for the maintenance of efficient and progressive American business capable of supplying the needs of the people," says Senator Wheeler.

● ● ● More and more practical business men are being drafted to work in Washington. The naming of General Wood of Sears, Roebuck as Advising and Planning Counselor on the proposed Work Relief Bill is interpreted as reflecting Commerce Secretary Roper's recently enlarged influence at the White House.

● ● ● The development by Dr. Charles H. Herty of a process for the manufacture of newsprint paper and cellulose from Southern pine promises one of the most far-reaching industrial upsets the country has seen in years. The pine cellulose, ready for conversion into rayon, can be produced at a cost considerably lower than the cellulose now available to industry, and the print paper has been pronounced the best in the world. We now import approximately \$170,000,000 worth of news print paper annually. The first Southern paper mill is expected to be in operation before the end of the year.



The Brookmire Economic Service estimates that the national income for the next six months will be 12% better than last year, and 33% better than the same period in the last three years, with the biggest improvement coming in the sections making heavy-industry products.

States where consumer income is estimated by Brookmire as being considerably better than the U. S. A. average, include Washington, 18%; California, 19%; Wisconsin, 23%; Iowa, 18%; Michigan, 17%; Indiana, 19%; Ohio, 17% and practically all of the Southern states.

Let's Look at the Records

the most sound that it has been on any revival of recent years. Activity should remain stable near current levels for the next month or two."

● ● ● Industrial production in January was 90% of the 1923-25 average, as compared with 86% at the end of December, the Federal Reserve Board reports. This was the highest January level since 1930. Both factory employment and payrolls increased, although a decline is usual in January. . . . The production index gain of 15% over last January is topped by the 24.3% gain in SALES MANAGEMENT's weighted index of bank debits and retail sales—see page 286.

● ● ● Federal Reserve reports show that bank debits for the month of January increased 14.1% over the same month a year ago . . . Chain store sales in January increased 6.47% . . . Residential building contracts let in January were 53% greater than in December, and 48% greater than January of last year . . . The Irving Fisher All-Commodity Wholesale Index advanced late in February to a new high—82.4% of the 1926 normal . . . Department store sales in January were 4% greater than last year.

● ● ● Overseas sales of General Motors cars and trucks in January reached the highest figure for that month ever recorded. Gold devaluation has very definitely helped export trade.

● ● ● A Department of Commerce study indicates that those wholesalers who did 45.5% of the total wholesale business in 1933, upped their sales 13.5% in 1934 over the previous year.

● ● ● The *Progressive Grocer* has broken down the Government's 1933 Census of Retail Distribution figures and finds that 36% of the food business is done by chain stores. Rhode Island and the District of Columbia, with 53%, and Massachusetts, Connecticut, and New Jersey, with 49%, were the leading states in percentage of chain store domination. By districts the chain stores' percentages are: New England, 46%; Middle Atlantic, 47%; South Atlantic, 31%; East North Central, 41%; East South Central, 19%; West North Central, 19%; West South Central, 18%; Mountain, 23%, and Pacific, 36%.

Untapped Markets

There are only 320,000 people in this country who use electricity for all power in their homes. Only 1,000,000 use electricity for cooking; 5,000,000 for refrigeration; and 13,000,000 homes have electric lights. The Federal Power Commission has dug up these data to push the agitation for cheaper electrical rates.

● ● ● The radio networks are becoming more alert to the potential danger to them of allowing advertisers to provide what is comparable to the editorial pages of magazines and newspapers. NBC has just created a department of continuity acceptance, "whose function it will be to see that all material offered for broadcasting meets the requirements of NBC policies of fairness to radio listeners, of ethical advertising, common sense, and good taste."

Steel production has declined slightly, but supply and demand are about in balance, and the editors of Economics Statistics say, "The situation seems to be

● ● ● The F. H. A. has made a special survey of the purposes for which modernization money was pledged by 17,052 residents of ten typical cities. The average amount per job was \$338, with the greatest percentage of this sum—26.2%—going for exterior painting. General repairs, roofing needs, and fixtures followed in the order named. About one out of every ten house owners in the ten cities pledged himself to modernization and repair jobs.

● ● ● The Ford Motor Company lost \$68,000,000 in one of the depression years, so states Henry Ford's secretary in a recent radio address. "But," he added, "this amount represented only two months payroll in normal times. In his (Ford's) business creed, if you go in primarily for profit you will miss it—profit, like happiness, being a by-product. Likewise, if you spend money for wages and materials—and materials really represent wages spent in other industries—you do not lose it; you put it into constructive process, and in the nature of things it will come around to you again. . . . Every possible sort of situation presents an opportunity. Nothing can stop the man who is going somewhere."

● ● ● Food and Drug legislation is likely to pass Congress by the first of May, the editors of Congressional Intelligence say. "The measure that is finally passed will, in our minds, be a little more specific in its provisions dealing with misbranding and drugs, among other things, and it will be a little chary of the tremendous power lodged in the Secretary of Agriculture. Yet, while it will be modified to some extent, it will not be totally weakened. It is likely that the President might even veto a worthless bill. Indications are that the Administration is in favor of food and drug legislation and certainly the wreathed smiles worn by Senator Copeland when he has left the White House give more than fair support to the strong theory that his is the bill which the Administration seems willing to present for permanence and statutes."

● ● ● *Liberty* representatives recently studied 609 retail outlets in five cities, interviewed 1,166 retail sales people, and made detailed observations of 4,622 consumer transactions—all for the purpose of determining just how important the "over the counter" influence is. They found that about two-thirds of all purchases in eight important retail groups are made in brand specification by the consumer; that about 7% of customers were switched by the salesman from the brand requested to another brand; that 37% of retail purchases are subject to influence by salespeople—and that the projected sphere of total U. S. point-of-sale influence is nearly ten billion dollars a year.

● ● ● The *Liberty* study indicates that dealers and their clerks buy nearly two billion dollars worth of goods themselves each year for personal consumption, and that, based on the 1933 retail census figures, they are directly or indirectly responsible for brand selection in 44.47% of retail sales.

● ● ● Preliminary figures show that the California sales tax brought \$53,500,000 to the state coffers last year. When the tax was imposed it was expected that about \$40,000,000 would be raised. There must be both a high level of honesty and a big improvement in conditions out there.

● ● ● SALES MANAGEMENT's Survey of Spending Power, to be published April 10, will show national spendable money income for 1934 at slightly over 60 billion dollars, as compared with 53.5 billions in 1933, and a 1932 depression low of slightly over 40 billions. The all-time high was approximately 90 billions in 1929.

Reprints of Significant Trends are available at five cents each, remittance with order



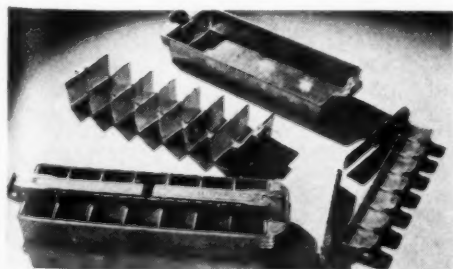
"Camera!"

Duco, with Hot Music: (Left) Reports from duPont field men of first showings of "Green Lights," a new 3½-reel talkie (Castle Films), before jobbers and dealers, are full of plump, colorful adjectives. Sponsored by the Finishes Division, the film hammers home the trading-up and sell-the-full-line stories with the help of these characters and others.

"Before and After": (Right) That's the name of Johns-Manville's talkie which is to be shown to 11,000 building dealers and contractors. In story style it explains how a J-M salesman helps a contractor to sign up a home owner for modernization work. Using a three-point plan: A booklet of "101 Practical Suggestions for Home Improvements"; the J-M estimating guide; and the J-M deferred payment program; the corporation is doing its part to put over the Federal Housing improvements. Simply, clearly, the film points out how to fix up old attics and otherwise renovate houses economically.



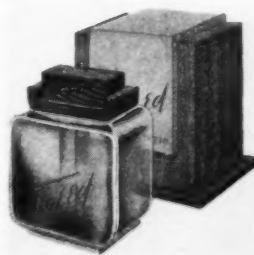
No Sludge: (Above) Pennzoil Company had Western Union boys deliver this metal sign to key filling stations to coincide with magazine ads. The sign has a bottle of sludge-forming elements removed from Pennzoil by a new solvent process. The sign's pocket holds folders telling how the improved oil cuts driving costs. Thus all the material for a sale is right in the gasoline pump or canned oil rack.



Ice Cubes Pronto: By lifting the handles bearing the name "Westinghouse," all the cubes in the tray are loosened with no swearing or hot water. "Eject-O-Cube" is made by Doehler Die Casting Company for all models of Westinghouse refrigerators.



Success Story: Nu-Enamel Corporation has grown from a capital of \$1,000 and an idea in 1930 to a gross volume of over \$5,000,000 for 1934. Above are two of the officers who will push it still further up the ladder. At left is Sam A. Stephens, new director of sales and advertising. He has been with the organization a year; was an auto dealer, distributor and general manager before that. At right is Charles E. Steffey, formerly general sales manager for National Cash Register, now head of Nu-Enamel's house paint division. They were associated as apprentice salesmen with John H. Patterson years ago. Together again, they plan a big expansion for Nu-Enamel.



A Nip o' Scotch: But not the kind you'd expect. This is "Tweed" perfume, a new Lenthieric scent for men and women. It "has the characteristic tang of Scotch woolens and the breeze-swept heather." Bottle has a wooden stopper; box is covered in dark brown and tweed paper.



BY
JOHN ALLEN
MURPHY

If there is ever a "What Constitutes A Busy Man" competition, the entry of John Allen Murphy must not be overlooked. John Allen numbers the major marketing surveys he has conducted in the hundreds, the personal interviews he has made in the thousands and the words he has written about marketing in the millions. In his many years of question popping, he has run the gamut of products from bearings to blowers, from paint to printing and from sandals to steel. . . . More recently, as chief market counsel for the industrial Basford agency, he has been kept busy on capital goods surveys, and has uncovered numerous market possibilities for steel and related products. One of his favorite pastimes is association work, and it will be remembered that one of the most successful campaigns in marketing history, the Save the Surface Campaign of the paint industry, owed some of its salient points to John Murphy.

Sound Marketing Practice Is 50% Cost Accounting

WE who make a business of studying sales organizations, and of overhauling them on occasion, find pretty much the same faults in all of them. Both the large company and the small company, both the concerns that are succeeding and those that are failing, are likely to be making the same mistakes. The mistakes may be only trivial or at least not serious enough to offset the many constructive things that these companies are doing. But the point is that where a bad marketing practice exists in one business, you are likely to find it existing, in some degree, in almost every business that you examine.

A thing that is wrong in most companies is a disposition on the part of the bigwigs to view sales management as a rule-of-thumb process. It is assumed that sales are made by using tricky arguments, whoopee showmanship and high-pressure methods in general. The average manufacturer is production minded. Manufacturers think that if any skill or special training is needed to put a business over, it is required in the factory. After the product is made, they cannot under-

stand why anybody should not be able to sell it.

How widely prevalent such views are is startling. Frequently manufacturers complain to me about their sales managers. "We make the best goods in the world. Anybody should be able to sell them. What is the matter with Tom?" a manufacturer will whine. When you suggest that perhaps he isn't giving Tom adequate support, he looks puzzled and asks, "What more can I give him than the lowest-priced quality line in this industry?"

Just the other day I had such a conversation with the manufacturer of a shaving cream. He was considering the advisability of firing his latest sales manager. This man has been changing sales managers about every six months. It is his habit, after the current incumbent is kicked out, to promote the salesman who has been making the best showing to the sales manager's job. "Why a salesman who is able to sell in profitable volume can't get others to sell is beyond me," he complained. "Selling our product should be the simplest thing in the world."

I persuaded this manufacturer to spend a day with me calling on re-

tailers, attempting to interest them in his cream. By 4:00 in the afternoon he was pitifully crestfallen. In a few hours he had been told in no uncertain terms that "there is no demand for your product," "your prices are out of line," "your package is an atrocity," "you give the retailer no selling help," "the demand long ago switched to shaving preparations of another type," etc., etc.

He had encountered only the usual barrage of objections that every salesman runs into, particularly the salesman who has no organized presentation or who is not backed properly by his company. At first he was so discouraged that he wanted to retire from business. After a few days, however, he began to make preparations to modernize his selling methods.

Seventy-five per cent of all concerns in the United States are suffering from a dearth of information about their business. Management is constantly basing judgment on insufficient data. It passes snap opinions on conditions about which it knows little or nothing. Seldom is it adequately prepared to arrive at sound conclusions on matters of marketing policy.

SALES MANAGEMENT

These are sweeping statements, but I doubt if there is anyone engaged in sales consultation who would not corroborate them. Any observant counsel soon discovers that competent sales management is about 50% good cost accounting. A sales manager needs many qualifications, but above everything else he should be a mathematician or, rather, an arithmetician. If he can add, subtract, multiply and divide, it is astonishing how that simple ability will contribute to his success. If he can submit his markets and his marketing methods to an arithmetical analysis and then synthesize what the analysis discloses, it will do more to make him a sales manager of the type that 1935 demands than all the gate-crashing ability of a hundred go-getters.

"Averagitis" a Common Malady

Almost every flaw that we encounter in marketing methods has an arithmetical basis. That is why consultants so often join Al Smith in saying, "Let's look at the record." When they go on a job the first thing they usually do is to ask, "What are the facts? What do the figures show?"

In the first check-up, the outside investigator ascertains if his client is suffering from averagitis. This is a very common disease. For instance, it is found that the client feels that his selling expense is entirely too high. He is unable to see how he can lower it, without weakening his sales program. Nine times out of ten an analysis will disclose that averagitis is the cause of his trouble. His "average" sales cost is high, because it is excessive in some territories. Believe it or not, many manufacturers never break down their costs into their component parts. Even though they do not break them down, they often tolerate high costs in certain territories, hoping that eventually enough business can be had from these places to offset the previous losses. Here a little elementary arithmetic will generally quickly demonstrate that these high-cost areas can never be made profitable. Sometimes it is recommended that these territories be abandoned. In other cases a more economical method of handling them is suggested. In any event, the

removal of high-cost districts from the equation will nearly always reduce the concern's selling expense to a normal figure.

Averagitis is a trouble-maker in other departments of sales work. Manufacturers establish policies to suit "average" conditions, whereas there is no such thing as an average condition. Conditions are likely to differ somewhat in each section of the country and may have to be handled differently. For example, not long ago, a sales manager complained that "our ideal branch office is by no means our most profitable branch." The answer to this is that no company should regard any system of branch organization as its ideal. It may be ideal for a certain territory, but it could not be ideal for the business as a whole.

Averagitis often affects relations with competitors. Manufacturers are prone to "average" competition in sizing it up. That is not a safe viewpoint. Competition must be dealt with specifically, according to the merits of the question or case under consideration.

They Burn the Bridges to Sales

All sorts of generalizations arise from the disease, averagitis. You will hear manufacturers say that thin markets can never be sold profitably. At the same time right under their noses will be found concerns who are making money in thin markets. The statement will be made that a salesman can carry only three products successfully. A little investigation would show that many outstandingly productive sales forces carry more than three items. Again, a manufacturer will tell you that he has never tried to sell Henry Ford or General Motors or the United States Government or some other large buyer because "no one has ever made a cent selling them."

To refute these statements and to put the authors of them on the right track, all the sales counsel has to do is to toss a column of figures together and to find out what the answer is.

The use of a little arithmetic would often keep companies from pursuing costly sales policies. Marketing analysts run into companies who have a straight-line selling plan. For in-

stance, they sell only direct to the large industrial buyer and never through mill supply houses. In one case of this kind I found only 20% of the business was placed direct. The other 80% was bought from jobbers. Hence my client was confining himself to 20% of his market. By changing his plan somewhat, permitting him to continue selling the large purchasers direct but also opening his line to mill supply houses, his business was immediately doubled.

On the other hand, manufacturers often sell only through jobbers, thereby eliminating the large direct buyers. A merchandising adviser found a client marketing in this way. Department stores, chains and buyers of these proportions composed 50% of the market, and, while buyers of this size do purchase from wholesalers, it happens they buy very little of this manufacturer's goods in this manner.

We have no quarrel with the company which deliberately selects to market its line through a single lane distributing system. It is to be censured only when it does not know that its plan is automatically closing a large section of the market. That, unfortunately, is too often the case. Many manufacturers do not appreciate that it is perfectly feasible for them to operate a dual or even a triple avenue distribution set-up.

Why Are Good Salesmen Good?

Arithmetic would also correct another injurious situation that is almost universally prevalent in the sales world. Every business organization has some salesmen, branch offices, wholesalers or retailers who are doing vastly better than the average. A statistical analysis of the results being achieved by the units in any distributing organization will bring out surprising results. It will show wholesalers that are doing several times better than the average. It will show retailers that are miles ahead of the pack. It will show branches that are accomplishing everything the management wishes them to accomplish, in comparison with most branches which are barely getting by. It will show that salesmen rate all the way from "ex-

(Continued on page 280)

To the editors of Sales Management, John Allen Murphy once made the observation that, in his sales consulting work, he so often found sick companies the victims of similar ailments. We said, "Write some articles about these common business diseases." Here is the first one.

GE Turns Loose First Trained Crew of Air Conditioning Men

FROM General Electric's new Air Conditioning Institute at Schenectady, February 9, was graduated with diplomas and buttons its first class of 225 sales engineers. They had studied and heard about every phase of air conditioning on an average of 16 hours a day for four weeks, and they had completed one of the strictest and most complete training courses ever offered by a commercial company to its dealer organizations.

The graduation of these men, and the completion of the Institute's first session, represents what we believe to be the solution to the peculiar sales problems offered by air conditioning. As a result of it, we have in the field a trained sales force of men who not only understand salesmanship, but also know the technical side of their product and are equipped to deal with it as trained engineers.

Air conditioning in its fullest sense means the heating and humidifying of air in Winter, the cooling and dehumidifying of it in Summer, and the purification and effective circulation of it throughout the year. There are units which will accomplish all or any one of these functions, but their application to a house, an office building or a room presents a different problem in every case. The number of people occupying a room, the average length of occupancy per person, the number of lights in it, the insulation of it, the number of outside entrances all have an effect in determining the amount of cooled or heated air to be brought into it. And these are only a few of the factors which must be considered in estimating any air conditioning installation aside from the actual units which do the work and the manner in which they are installed.

Selling an Intangible

Because of these complications, air conditioning cannot be sold like vacuum cleaners or electric fans. The salesman can be taught the function of air conditioning and its advantages, but he cannot take the product out with him, demonstrate it and sign the prospect on the dotted line.

The problem then that faced General Electric in 1932, when the first unit of its air conditioning line, the oil furnace, was placed on the market, was to build up a sales organization

The selling of air conditioning equipment involves some peculiarly difficult problems, not the least of which is the necessity for finding and training "engineer - salesmen" or "salesmen-engineers." GE's first fully trained sales force for this important infant division of their business is now in the field after having earned diplomas in a four-week school at Schenectady.

B Y

J. J. DONOVAN

*Manager, Air Conditioning Dept.,
General Electric Company,
Schenectady, New York*

which would operate to secure the maximum results for the minimum effort. It meant securing dealers who were adequately financed and supported by competent sales and engineering managers. Then assisting them to find salesmen who could sell, but who also could acquire a technical knowledge of their product, so that they could intelligently recognize the complications of each job, decide on the proper installation, and accurately estimate the work and the cost. It further meant having a sales organization ready to protect a new industry from growing the wrong way, and to protect the public from bad installation and operation of the product—whether it be their own make, or that of a competitor.

Following the organization of dealerships in leading cities, the dealers in many cases were brought on to Schenectady, where they received the complete air conditioning story and assistance in the formation of their organizations. They, in turn, selected their sales managers and their engineering managers, the latter in most cases having been trained by General Electric.

The next problem was to find the salesmen. Most of the dealers advertised, and in the applicants looked for specialty salesmen: for men of mature judgment, and for men with an appreciation of the technical subject who would, in turn, be able to translate it to home owners. The field, needless to say, was better in 1932 and 1933 than it was in 1929, and the dealers were able, because of economic conditions, to find in many instances better men than they might have three years before.



J. J. Donovan

Many of the salesmen had sold oil burners and knew from this experience the way in which air conditioning could function with the furnace. Some of them were college graduates with engineering degrees who had lost their positions because of the depression. Most of them were married, and all of them went to work on a commission basis, some with drawing accounts.

The procedure of operation in those days went something like this: The salesman secured his leads through coupons inserted in advertisements, canvassing from door to door, telephone calls, and by talking to users. This first contact might then be followed by mail before the initial call was made.

Commercial leads were somewhat different. If one restaurant or moving picture house in a neighborhood had installed air conditioning, the others in the same locality were naturally prospects.

After securing the contact, making the calls and eventually selling the

SALES MANAGEMENT

prospect on air conditioning, the salesman prepared a rough sketch of the installation needed. This was turned over to the engineering manager, who made the estimate and set the price. The salesman would then take this estimate, submit it to the prospect and close the deal.

This system proved satisfactory in some respects. The salesmen were all right on selling the oil furnace and Winter air conditioning. But when the complications of Summer conditioning and larger commercial installations were involved it was necessary for them, after making the contact, to take the engineering manager along and for both of them to sell the job.

All of this meant a great duplication of effort and work. The only economic solution seemed to lie in training the salesman so thoroughly that he became a combination of both salesman and engineer; and in most cases could handle the two required

to which the salesmen were brought.

While both of these methods accomplished much, neither of them proved to be wholly satisfactory. The correspondence courses lacked the personal element needed for a thorough understanding of the technical side; and the group meetings were not long enough.

In the meantime, the demand for air conditioning increased. Dealers found themselves short of trained sales strength. As the sales forces grew there also arose the necessity for assistant sales managers and specially trained men who were competent to handle any job, particularly commercial ones. Exceptional salesmen rose rapidly to assistant sales managers, dealers, and in some instances to division managers.

Last year we conceived the idea of the General Electric Institute, which would offer a complete course in the engineering and selling of air con-

ditioning backwards and forwards. If the engineer could sell and the salesman could engineer, it was obvious that we could cut down duplication of effort and have more and better men in the field.

3. Salesmen who could instill their own enthusiasm and knowledge received through the school into other salesmen.

4. A group of trained men with a G.E. background ready to grow with the air conditioning industry.

For General Electric air conditioning we hoped it would bring increased sales, reduced sales expenses, successful operation of the product, and satisfied customers.

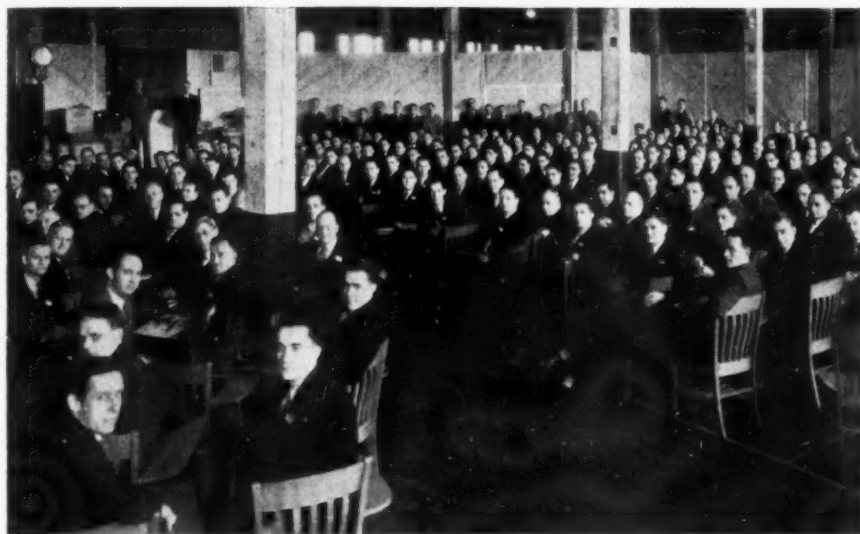
We decided to hold the school in Schenectady so that the men could get the full General Electric background; could receive instruction from our complete staff of engineers and sales executives; and could be kept under our supervision during the entire course.

After a preliminary budget had been settled, we decided that the dealers would pick the students, although we would reserve the right of passing on them, and that the cost of the course would be shared. The dealers paid transportation costs and \$75. General Electric paid the remainder.

Four complete floors of the Mohawk Hotel were taken as a dormitory and breakfast and dinner were served there with lunch at the plant.

The setting up of the school was largely handled by Elliott Harrington of the commercial engineering division of the air conditioning department. He laid out the course combining salesmanship and engineering and assembled the faculty.

It was definitely understood that the school was not for dealers, for sales managers or for engineering managers,



Following a stiff course covering every branch of air conditioning, these GE crack salesmen will return to dealerships in many cities and impart the knowledge and enthusiasm they have gained to other salesmen. Above, the entire school at Schenectady listening to a lecture; and at right, a class finding out "what makes it tick."



jobs, that of selling and engineering, leaving only the installation to the engineer proper.

To help the dealer train the men, General Electric tried several procedures. Forty-week correspondence courses were offered on the technical side of air conditioning. Later three and four day schools were organized

ditioning. We were determined to make it more thorough and better in every way than similar training courses, and through it we wanted from the men:

1. The best trained selling force in the field.

2. A dealer sales organization which would be equipped to handle more business and whose members would know air con-

but for salesmen. It was planned for four weeks, each consisting of five days of instruction with an examination on each Saturday morning.

Harrington devised the course to teach each man about the following:

The General Electric Company
The air conditioning department

(Continued on page 289)

Letting the customer sell himself—or herself—by renting an electric range over a six months' period has turned loss to profit for this manufacturer. Volume jumped 118% in 1934, selling expense dropped 20%, and delighted stockholders received a dividend instead of a doleful report of a deficit.

Range Rental-Trial Plan Pulls Electromaster Out of the Red



R. B. Marshall was born in Detroit in 1899. After graduating from the University of Michigan, where he took an electrical engineering course, he joined the Detroit Edison Company. He participated in the development of the Electromaster range, and when a company was formed in 1928 to manufacture it, Mr. Marshall became vice-president and general manager. In January, 1934, he became president. Thus he has been at the helm of Electromaster from its earliest days. The company now has no connection with Detroit Edison, except that the latter is one of its customers.

Based on an interview by
D. G. Baird with

R. B. MARSHALL
*President, Electromaster, Inc.,
Detroit, Michigan*

TO a "Range Rental-Trial Plan," adapted and sponsored by Electromaster, Inc., Detroit, manufacturer of domestic electric ranges, water heaters, and related products, is attributed major credit for the pleasant reading matter found in President R. B. Marshall's recent annual report to the stockholders.

This report revealed an increase of 118% in gross volume during 1934, a decrease of 20% in the ratio of selling expense to gross sales, and a net profit of over 31 cents a share, as compared with a small deficit for the previous year.

Of course there were other factors. Conditions admittedly were more favorable, selling effort was increased about 75% and the pioneering done in previous years doubtless had some effect. But the rental-trial plan was the outstanding feature of the corporation's promotional activities.

Over 40 light and power companies are now selling "Electromasters" on this plan and each probably makes some slight changes in the details, but the essence of the plan is this: Electric ranges are installed in prospects' homes on six months' trial at a rental fee of \$1.50 a month. There is no charge for the installation and the prospect is under no obligation to buy. She merely rents an electric range for six months or less, with an option to buy if, as a result of this trial, she so desires. If not, the range is removed at no cost or obligation to her.

"In other words," President Marshall explained, "instead of depending on the salesman to make a brief demonstration and overcome all the sales resistance—and there is plenty of that—we let the prospect sell herself by actual trial in her own home, free of the influence of any salesman.

"Here was the situation: Electric light and power companies have wanted for years to popularize electric cooking, for obvious reasons, but, until a few years ago, the purchase price of

an electric range was quite high. In 1928, for example, the year our product was introduced, the average price of all electrical cooking devices sold was \$164. That has now been cut about in half and electric ranges are being sold at competitive prices. Our best selling model retails at \$89.50 and our next best seller is \$20 cheaper. While many ranges using other fuels are advertised at lower prices, actual statistics reveal that the most popular prices of those sold are \$70 to \$75.

"We have brought down the purchase price and improved the product, while the utilities have reduced their rates, thus bringing electric cooking within reach even of the modest home. We claim that cooking with electricity is better, cleaner, more convenient, and so on. But just telling the prospect so doesn't make her believe it. She has never tried electric cooking and she has her doubts. She is particularly skeptical about any suggested economy in cost of operation. She probably heard someone say, several years ago, that an electric range runs one's electric bill up frightfully, and she can't get that out of her head.

"That is why sales of electric ranges have been slow and costly. At the rate we have been going, it would take 20 years to obtain 20% saturation. Central stations have been and are the principal outlets and mighty few of them have made a profit on their sales. What they are interested in chiefly, of course, is increasing their load, but they should at least break even on merchandise sales.

"Well, that was the situation when we learned that in England and Holland nearly all electric ranges and water heaters are rented, not sold. I made a special trip to those countries during 1933 to study their plan, and ours is an adaptation of plans that have been in use over there for 10 years or so. Fully 95% of electric ranges used in England are rented. In many cases there is no option to buy at any

time. In other words, range men there are in the business of renting, not selling. That is due in large measure, no doubt, to the fact that the percentage of home owners is comparatively small.

"We spent a great deal of time and money in perfecting our rental-trial plan. Then we spent more in persuading our outlets to give it a trial. The first company to do so had been selling electric ranges for 20 years and in that time had reached about 5% saturation. During the year or two previous to its introducing this plan, it had been selling less than 300 a year. It launched this plan at the beginning of 1933 and in two years has sold over 2,500. Its percentage of saturation has doubled in two years.

"Another central station has confined the plan chiefly to suburbs and nearby towns, a territory embracing about 100,000 meters, and has used little selling effort. In 1933, without this plan, it sold about 1,000 ranges; in 1934, with this plan, it sold about 6,000.

"One company in a small city sold 15 in 1933 and 90 in 1934.

"Still another central station, in a city where natural gas is available at low rates, had sold nine electric ranges during the first ten months of 1934. It then introduced this plan and installed forty in three weeks. These trial users were all contacted about a month after installations were made and 85% of them declared their intention of buying the range at the expiration of the trial period.

Prospects Must Be Hand Picked

"And so it has gone. Over 40 central stations are now using the plan. These include all types of areas—metropolitan, small town, and rural—as well as places where rates for competing fuel are high, medium, and low. We have yet to learn of any central station that has tried the plan and found it unsatisfactory. Some mistakes have been made, but these have been corrected and the plan continued in effect."

The most common mistake, Mr. Marshall said, has been the tendency on the part of some dealers to make installations indiscriminately. While the chief feature of the plan is that the prospect sells herself, still installations should not be made unless the woman trying the range really is a prospect or at least is able to make the purchase in case she does sell herself on the product.

"With a few such exceptions," he said, "the percentage of reversions has been comparatively small."

The central station-dealer must, of course, make an investment in ranges

to be used as demonstrators, but this is largely offset by reduced selling costs. The usual practice is to use just one model for this purpose. If a new range is installed on the rental-trial plan and the prospect becomes sold, she merely keeps it and pays for it either in cash or on a time-payment plan. If she wants a different model, that is quite all right, since it will be more expensive and will consume more current. If, however, the range must be taken out, it is then reconditioned and either used again for the same purpose or sold as a used one.

Outlay Repaid in 2 Years

Mr. Marshall has prepared an analysis showing that, on the most conservative basis, such a range rented at \$1.50 a month will pay the entire cost of the range itself, handling, installation, selling, and even advertising, in five and a half years. Or, omitting some of the above costs, the rental fee will equal the first cost of the range, plus interest at 6%, in only three and a half years. But as the major purpose of the central station is to increase its load, this also should be considered in the calculations. We find, then, that the rental fee and net revenue from current supplied will together repay all direct outlay in approximately two years, leaving both rental and revenue thereafter to apply toward net profit.

It is not surprising, therefore, that some companies are proposing that one may rent a range for five years, then keep it without further payment.

"Honestly," Mr. Marshall said jokingly, "if the return were any better, it would be classed as a 'get-rich-quick' scheme. And yet it is, at the same time, eminently fair to the prospect."

The plan has worked so well when applied to electric ranges and it is so obviously adaptable to some other specialties, that Mr. Marshall was asked to state from his experience some of the problems which should be met by others who might wish to adopt or adapt it.

"Take the same ones we had to consider ourselves," he said. He then presented a list of twelve "variables":

1. Type of plan: Straight rental-trial or rental-optional purchase?
2. Installation: Free, partly free, or charge rebated after a specified period?
3. Rental charge: What fee will be low enough to get maximum results and yet high enough to be economically sound?
4. Minimum lease period: Should this be one month, three, six, or a year?
5. Down payment: Is it necessary to require a down payment and, if so, how large and how handled?
6. Dealers: Should the plan be built

entirely around the dealers, or should it simply be set up for participation by dealers who care to go along?

7. Commissions: For dealers, salesmen, and employees? How much is justifiable and how much is necessary to get the job done?

8. Publicity: Which is the most effective for introductory advertising and for the follow-through?

9. Inducement to buy: What are the effective means of inducing the prospect to purchase the rental product or a new one?

10. Service and maintenance: Free for what period, and to what extent?

11. The product: Should it be the same one you have been selling or one especially designed for this purpose and plan?

12. Models: Should only one model be rented, or several?

"These twelve points can be worked into a plan that will properly safeguard the company and/or dealer and that will, at the same time, accomplish the essential purpose of letting the prospect try the product in her own home before committing herself definitely to its purchase.

Capable of Wide Application

"We have tried the plan only on electric ranges and electric water heaters, but I see no reason why it should not apply equally as well to some other products. It should be particularly effective in overcoming resistance to a product the operation and maintenance costs of which are mistakenly believed to be high. Note that I say 'mistakenly.' If costs actually are high, that brings up another problem.

"I might add that one who undertakes such a plan must have full confidence in his product. If he is thoroughly convinced that almost every prospect who gives his product a thorough, uninfluenced trial, right in her own home, will thereafter be unwilling to part with it, but will buy it instead, then the plan should work well; if he has any doubts on the matter, perhaps he had better leave it alone."

Axton-Fisher Ups Budget for Advertising by 20%

Axton-Fisher Tobacco Company makers of Spud and Twenty Grand cigarettes and other tobacco products, has increased its advertising budget for 1935 by approximately 20% over last year. Ad expenditures were jumped each year of the depression. National magazines and "spectacular" signs are currently being used. Sales in 1934 were greater than for any previous year. Kenyon & Eckhardt are the agents for the company.

Is a "Nothing Down" Policy Robbing Us of Good Salesmen?

Because you've been soaked for a pile of cash on unearned drawing accounts and initial salaries for men who never did turn out to be worth their salt, you may have shifted around to the belief that the burden of proof lies entirely on any new man who wants to join your organization. But the existence of that very policy might, in itself, be cutting in half the chances of your turning promising newcomers into profitable producers.

DESK-CLINGING sales managers and accountant-presidents have long justified their compensation to salesmen by repeating that face-saving phrase: "Any salesman who is worth his salt will insist upon working on straight commission."

During the past few years many an executive must have suspected that this well-worn remark was only a half-truth. But times being what they were—well, there were plenty of salesmen to be found and it was *their* worry if they couldn't make a bare living on commission.

Were these executives bringing out a new product before it was ready? No concessions to salesmen because of that. Were they bringing out a product at the wrong time of the year? Were the product and the season right but was the article or service one that required plenty of missionary work before it would "take"?

No matter how wrong the executive strategy, the same old formula has held: Advertise on Sunday, exploit the salesmen until Saturday, advertise again on Sunday, pep up the new bunch Monday—and so on far into the year.

With what result? Many a company that could pay for red-blooded salesmanship gets simply the usual high blood-pressure over a constantly shifting group of salesmen.

No wonder there is a growing resentment among salesmen at being singled out to take it on the chin, time after time. This resentment, I believe, would enable any sales manager to whip together the best sales force for his product in the city, provided he would insert the right kind of advertisement and talk to his applicants something like this:

"Men, let's forget about our product for the present while I talk about you, yourselves.

"A number of times in the past few years you have sat before other sales managers as you sit here today, hoping every time that this was 'it.' You were busted after months of making less than a bare living while you pioneered for this manufacturer and for that—while you bought oil and gas or walked off tons of energy exploiting some product which, like everything else, was hard to sell. Far too hard to sell for men worried to death about what their families would eat at the end of the week.

"You have gone out day after day trying to keep your mind on selling when it was being harassed with the fear of losing your home or all your insurance. Trying to keep from getting too tense when you *had* to make a sale. Trying to forget that you were among the hardest workers in a manufacturer's or distributor's organization



BY
ROBERT C.
GLENN

—and the only ones who were not getting a bare-living income.

"No wonder your intelligence, your industry, your salesmanship couldn't click. No wonder that 80% of you would flop in a week or two because you *had* to find something that would bring immediate returns.

"We manufacturers have had plenty of grief in the past few years. But I believe we would have had less if we had not exploited the salesmen.

"There is no justice in my refusing to pay my advertising agent his commission because his advertisements don't pull enough requests for the booklet I offer. Nor is there any justice in asking a carefully chosen salesman to do missionary work for me for days on end, wholly at his expense, when I know that he probably won't make enough for the first month even to feed his family.

"For one, I am not satisfied with the kind of salesmanship you can get from that method, nor do I like the ill-will that my product will acquire among salesmen such as you. I've spent real money in getting my product ready for the market—and I'm going to spend some more in putting it across.

"How? By demanding real salesmanship and paying for it. By getting salesmen who won't have to work with their minds on the grocer and their eyes on the want ads, men who will work with undivided attention and loyalty.

Security Wins Allegiance

"In short, men, we are not going to send you all out with a sales kit and a pep talk. We are going to pick six men, six of the best salesmen we can find. Choosing salesmen is a risky job but to me that's one of the necessary hazards of business. These six will have jobs. They'll get paid every Saturday, paid a large enough drawing account from the first day to enable them at least to get by.

"A drawing account, men. Think back, you older salesmen, you at least have heard that phrase before.

"I'm no philanthropist. I believe that paying you will pay me. I'm tired of passing the buck to a constantly changing crop of salesmen who pass on before I have time to learn their names. I want men who can give 100% allegiance to a company that won't wring them dry and then discard them."

What's remarkable about that speech? Nothing—except that no one seems to have the insight, the guts or perhaps the decency to make it. But if I understand the present psychology of salesmen, what a brand of selling such a pioneer could command!

SALES MANAGEMENT

Lucky Strike, in "Friendly" Way, Aims to Restore Sales Dominance

ON Tuesday, February 19, American Tobacco Company officially "hatched an egg" in the form of a new advertising theme for Lucky Strike cigarettes. The theme appeared in 1,414-line space in virtually all the 1,800 daily newspapers of the country. For ten weeks at least, and longer if it proves potent, it will run twice a week, in 750 to 1,414 lines. It will appear in color pages, usually covers, in a long list of magazines. Outdoor media may get it too, and there will be something doing in radio.

Earlier in February the theme had already appeared in double-length car cards. Illustrated only by a burning cigarette, but a cigarette two feet long, the keynote of the entire program was struck with this legend:

"I am your best friend. . . to anxiety, I bring relief to distress, I bring courage to achievement, I bring content to loneliness, I bring companionship . . . I am your Lucky Strike."

Thus American Tobacco Company set out to present a series of situations, all of which at one time or another everyone has experienced—and the part which a cigarette has played in the solution of each of them.

Each advertisement in the newspaper series, American Tobacco executives tell SM, will present one familiar drama. Each is illustrated with a large photograph showing a cigarette beginning to solve—to ease or to heighten, as the case may be—that situation. Each illustration shows two people, a man and a woman. Each ad starts usually with that familiar word *when*.

The first one was, "When you need an excuse to stay a little longer . . . I'm your best friend; I am your Lucky Strike." Lucky Strikes are then shown, in turn, helping to patch up a lovers' quarrel; to restore mental equilibrium after a spill on a toboggan; "break the ice" when strangers meet, and so on.

In each ad the picture, the title and the "best friend" take most of the space. The copy is brief.

Though the Lucky Strike people and their agents, Lord & Thomas, are by no means lacking in copy ideas and the effective development of them—as is shown by the fact that they have pushed the sales of this product to levels as high as 44 billion units yearly—they are open-minded. From whatever the source, they are forever seeking a "natural." Though Lucky Strike

BY
LAWRENCE
M.
HUGHES

While rivals talk about "getting a lift" and "satisfaction," Lucky's newest theme concentrates on human incidents of everyday life

uses all major advertising media, car cards until last month had not been scheduled extensively for several years.

One morning about eight months ago a young car card salesman went down to 111 Fifth Avenue. He was Barron G. Collier, Jr., heir to the Collier car card interests throughout the United States. He had gone to see an executive of American Tobacco Company, at the request of his father. They talked, among other things, about advertising. Collier decided to create a campaign. He talked his ideas over with his father. He went out and had lunch by himself at a Schrafft's restaurant. On the back of a menu he outlined the "best friend" campaign. He showed it to his father, who liked it. Then he brought it to American Tobacco, who accepted it. Lord & Thomas went to work on it, and translated it into a newspaper campaign.

American Tobacco did not pay him directly for his pains. They gave him a \$750,000 car card contract instead!

Car cards will be used for Lucky Strike nationally throughout this year. The cards will be changed monthly. This month, instead of several suggested dramas on one card, this medium will follow the "newspaper" style of presenting only one at a time.

Barron G. Collier, Jr., five years out of Yale, is 26. He has spent these five years in various sales capacities with the Collier organization, on the

TAKE ME ALONG

I'm your best friend
I am your Lucky Strike

Choose me for your companion. I don't tolerate the bitterness, the acidizing of undeveloped top leaves. Why should you? I don't tolerate the harshness of gritty, tough, bottom leaves. Neither should you. I give you exclusively the fragrant, expensive center leaves—the mildest, the best-tasting of all. They permit me to sign myself "Your Best Friend."

LUCKIES USE ONLY CENTER LEAVES . . . CENTER LEAVES GIVE YOU THE MILDEST SMOKE

They Taste Better

Pacific Coast, in Philadelphia and elsewhere. "Officially," he says, he is now with the Collier Service Company, which supplies the cards for the Interborough subways in New York. (See his photo on cover of this SM.)

By concentrating on the essential "friendliness" of smoking, the American Tobacco people believe this to be the "best campaign for the entire cigarette business that has ever been put over. It is an institutional job," they say.

The American Tobacco people like it, but they are not inclined to make long-range predictions. They realize that no idea is good, however it may seem until it has proved itself in sales. Already "a lot of people have written in to express their good opinions of it; but we can't measure sales results so soon. That will take ten or twelve weeks, at least. We've got to give the theme a chance to seep in. We've got to get people talking, and doing things, about it. If they do, we'll keep hammering on it."

The race between the "big three" cigarettes—Lucky Strike, Chesterfield and Camel—is close today. Last year, the biggest in cigarette sales, with a total of 125,000,000,000, these three accounted for 80% or about 100,000,000,000. Standard Statistics recently estimated their sales, in billions, like this: Chesterfield, 34.5; Camel, 33.8; Lucky Strike, 33.0.

Are Your "Dollar-Hour" Costs for Salesmen's Travel Too High?

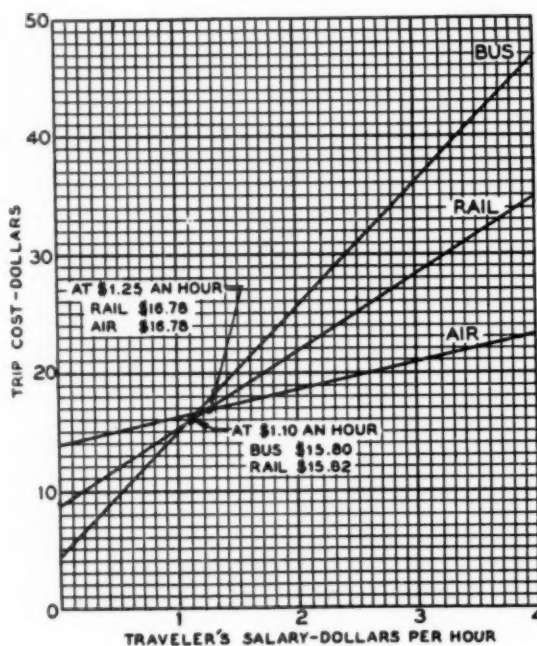
NOWADAYS the sales manager who maps out a trip "through the territory" for any one of his salesmen is apt to scrutinize pretty close the budgeted dollar-cost of transportation expense.

Transportation is always a large part of the expense of any salesman who covers a wide territory. Undoubtedly, the time will come when the actual monetary cost of transportation expense will not be accepted as the controlling cost; it will be the product of the actual dollar-cost involved in going from one point to another and the time consumed in traveling. The time also will come when every sales executive will know the actual per client-call expense; whether a sale is about to be made, or how remote that sale is. These latter two conditions he now more often than not should know; the transportation expense involved in making calls on clients or customers is much more intangible.

When a firm pays a salesman a reasonable salary as well as a commission or a bonus, that concern, in the person of the sales manager, has an equity in the salesman's time which he must protect. It is the sales executive's business, therefore, to examine means of transportation so that he may tell his salesman to select that mode of travel which will be, in this time-cost relationship, the most economical.

Believing that the time is not far off when this time-cost relationship will be the prevailing factor in the selection of the way of travel—travel on business primarily—engineers of the Illinois State Planning Commission first reduced to a comparative basis the dollar-hour expense of traveling between Chicago and St. Louis. The study was based on these assumptions: That the trip is made for business only; that the trip is a day-time one; and that considerations of relative comfort are omitted. These are the facts developed: The fares between Chicago and St. Louis are, by bus, \$4.25; by rail, \$8.67; by air, \$13.95. A hard

BY
JOHN W.
SHAVER

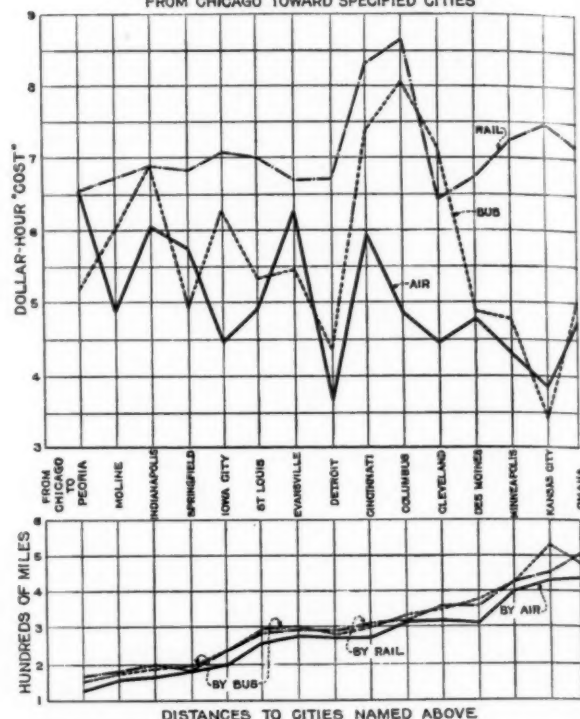


pinched sales manager will perhaps recommend rail travel. How economical is this selection? The Planning Commission study shows that it takes 10½ hours to make the trip by bus; 6½ hours by train, and 2½ hours by air.

The salesman is drawing a salary. His time has a definite per-hour value to the company which employs him, and unless he is using that time to the best advantage he is spending the company's money uneconomically.

Let us then make a few more assumptions. Suppose his salary is 40 cents an hour—an extremely low figure. In traveling by bus from Chi-

DOLLAR-HOUR COST IN TRAVELING 100 MILES FROM CHICAGO TOWARD SPECIFIED CITIES



The Real Cost of Salesman's Travel in Daytime Hours: (Above) This fare-time-salary chart shows comparative costs of traveling a man from Chicago toward each of 15 destinations by bus, by air, and by rail.

(Left) This graph, based on Chicago-to-St. Louis travel, shows that for economy's sake the low-paid men should ride buses; high-paid men, airplanes. Rail travel falls between.

(Below) A tabular presentation of the graph at left, showing actual figures for the dollar-hour cost of Chicago-St. Louis travel by various carriers and proving that, as a man's time becomes more valuable, cheap, slow means of transportation become increasingly more expensive to his firm than fast ones at high fares.

TRAVELER'S SALARY PER HOUR	TOTAL COST		
	BUS	RAIL	AIR
\$0.40	\$8.45	\$11.27	\$14.86
0.50	9.50	11.92	15.09
0.60	10.55	12.57	15.31
0.75	12.12	13.54	15.65
1.00	14.75	15.17	16.22
2.00	25.25	21.67	18.48
3.00	35.75	28.17	20.75
4.00	46.25	34.67	23.02

ago to St. Louis this salesman spends \$4.25 in bus fare plus 40 cents x 10½ hours (the trip time). If we go through the same calculation at the 40 cents an hour rate for both rail and air, we find that the dollar-hour costs for all three means of transportation are as follows: Bus, \$8.45; rail, \$11.27; air, \$14.86. We can make similar calculations and find that if the employee's time is worth 50 cents an hour, this dollar-hour cost is: Bus, \$9.50; rail, \$11.98; air, \$15.09.

Following calculations of this sort up the income scale, it is found that if an employee's time is worth \$1.10 an hour, the dollar-hour cost of the Chicago-St. Louis trip is practically the same by bus as by rail—\$15.80 and \$15.82, respectively. At \$1.25 an hour the trip by rail and by air is exactly the same—\$16.78. Beyond \$1.25 an hour there appears to be no competition for air transportation. For instance, if an employee's salary amounts to \$3 an hour, he will spend \$35.75 in salary and fare if he goes by bus; \$28.17, by rail; and \$20.75, by air.

Having made the study on this particular trip, engineers of the Illinois State Planning Commission elaborated on this theory of transportation to find out the comparative dollar-hour "cost" of traveling 100 miles from Chicago in the direction of 15 specified cities in the Middle West which are served by well-established bus, rail, and air transportation lines. The distances to these specified cities vary from under 150 miles to more than 500 miles.

For Distance Traveling, Planes

The graph at top of page 258 shows on a dollar-hour basis the comparative case of the three principal means of transportation. The chart shows a relatively horizontal line for rail travel; a more erratic bus "cost," and a definite decrease in the dollar-hour cost by air as the distance from the starting point increases.

Obviously no account is taken in this study of the cost of transportation to and from bus, rail, or air terminals. Also, whether or not an employee uses his own automobile is not considered. Whether he does depends on how many calls he has to make in a particular city. At the lowest average per mile payment which a company may make to a salesman when he uses his own automobile—say 5 cents—the actual dollar-hour cost of his using his own machine is considerably above the cost of travel by bus.

Any sales executive can make his own dollar-hour cost chart by substituting the per-hour salary which he pays his salesman.

MARCH 1, 1935

American Can, in Richmond Test, Finds 91 Per Cent Like Canned Beer

HAVING done a lot in the last couple of years to change the lubricating oil purchasing habits of the country, with oil in sealed containers, big American Can Company lately set forth to alter another, with cans for beer.

Bottles for home-consumed beer are an even older habit. The market for American Can, if the experiment works, will be even larger.

G. Krueger Brewing Company, Newark, and American Can introduced Krueger's ale and beer in new "keglined" cans in Richmond Virginia, January 24. Previously a modernistic can had been developed, and a consumer broadside in colors prepared. Newspaper advertising and various point of sale methods—signs, streamers, counter and window displays—were combined to emphasize such things as on draught flavor; a "sanitary personal package," which is never used twice; "keglining"; "protection from light"; "takes less than half the space, yet holds exactly as much beer"; "throw them away—no more bother saving empties and returning them to the store."

Many Advantages Claimed

A special canned beer opener is provided, with directions on how to use it. The opener cuts a triangle on the side of the top of the can. No other opener, it is said, will prove satisfactory. Another point emphasized is, "before opening, be sure beer is cold."

To the various factors involved in production and distribution of beer, American Can points to specific advantages of the new method. The most important probably is the lining of the can itself. Internal pressure of beer is about 85 pounds. Three years of work, it is said, were required to develop a lining that would withstand it. Keglined cans, it is emphasized, bring shorter pasteurization, protection from light. A case of canned beer it is said weighs 55% less than a case of bottled beer, and occupies 64% less space. Brewers, retailers and consumers are freed from the annoyance of deposits, bottle returns and occasional breakage.

The newspaper ads are being signed by Cavalier Distributing Corporation, Richmond distributor for Krueger. Both Krueger and American Can are conducting the distribution, merchandising and advertising work, with Fuller & Smith & Ross, Inc., American Can agency, placing the advertising. The

first ad—about two-thirds of a page—was headed, "For your greater convenience and enjoyment, Krueger's now presents the *Keglined* can for ale and beer." A large illustration showed the can and the opener, and a glass of foaming ale. Smaller illustrations showed that "wood and metal beer kegs are *completely lined inside* to protect flavor. So is our *Keglined* can. Light-protection, "your personal container," and less space required also were illustrated. At the bottom another



This can is gay—and "keglined"; the opener makes pouring easy

series of pictures showed how to use the opener. Sharply pointed and curved on the end, the opener has on the under side, near the point, a hook. You hook under the rim of the can and press down.

Smaller newspaper advertisements then followed—each of which contained illustrated instructions on how to use the opener; most of which showed, in pictures as well as text, what the keglined can is intended to do.

Dealers meanwhile were educating their customers on their own.

American Can claims that in the first month the Richmond experiment has been "making history." Specifically, research men employed by the two sponsors have found in a large number of calls on Richmond homes that 91% of those who have tried canned beer and ale like it; that 85% of these say that "the taste is better, more like draught beer."

The Krueger people probably will extend distribution of the draught beer and ale throughout their area, the length of the Atlantic Coast.

The American Can people say that other brewers are interested—that their problem now is to produce enough keglined cans.



Newest advertising medium of RCA-Victor are three spectacular motor trucks like these. Singly they are now traveling the South from California to Florida until April, when they will work North. They are merchandised differently in each territory, as befits local conditions, but in general they lead a "triumphal procession" through a town, with spotlight stops in front of dealers' stores. Sixteen loud speakers sound the praises of the RCA-Victor "Magic Brain" radio sets, along with music. Motion pictures of Mickey Mouse, news events and engineers developing the "Magic Brain" are shown evenings on a screen that shoots up out of the top of each truck

The Government Takes a Stand on Advertising

Washington, February 23.
EAR RAY:

D Have run across some mighty interesting dope about advertising as tied up with cooperating marketing agreements since you tipped me off about the "policy" letter from AAA to the Rio Grande Valley Citrus Exchange.

I took your basic question: (a) Will the government (AAA in this case) endorse advertising budgets for the cooperative groups (from a horizontal viewpoint this might apply to any government regulated industry) and (b) Is the government in favor of expenditures for advertising as a general business policy?

The answer was easier to get than I had expected. Here it is: (a) NO. (b) YES.

The letter you had heard about is a real document. I am told it was checked and revised for a month before being released. Hence it is as final as a Supreme Court decision. Here it is:

September 25, 1934.

Mr. G. O. Miles,
Rio Grande Valley Citrus Exchange,
Wealsco, Texas.

Dear Mr. Miles:

This will acknowledge receipt of your

letter of September 7 in which you request prompt approval of the proposed advertising amendment to the Texas citrus marketing agreement.

The inclusion of advertising programs in the marketing agreements for Florida and Texas citrus fruit has been given careful consideration. The Agricultural Adjustment Administration is sympathetic with the objects which the growers and handlers hope to achieve. The decision has been reached that the Administration cannot approve, for the reasons set forth below, the inclusion of provisions for advertising assessments in the marketing agreement itself. However, we hope the objects sought by the growers can be secured by another method which avoids the difficulties inherent in the proposed amendment.

As you know, the official acts of the control committee operating under a marketing agreement are subject to the disapproval of the Secretary of Agriculture. If an agreement were to authorize collections and disbursements for advertising purposes, it would be incumbent upon this office to make sure that funds collected under such authority were spent properly. This would place the Department of Agriculture in a position where supervision of advertising expenditures would be required, and, no matter how fairly such supervision might be undertaken, the Secretary of Agriculture would undoubtedly be charged with attempting to control the press through control of advertising revenue.

For this reason, I have found it neces-

sary to disapprove the amendment you have proposed providing for advertising of Texas grapefruit.

This decision should not be taken to mean that the Agricultural Adjustment Administration is opposed to advertising in general or wishes to discourage the advertising of any specific commodity. We are willing to go as far as the law and wise public policy permit, in facilitating industry advertising programs.

The experience of various industries which have carried out extensive advertising programs in the past shows that in the case of milk, fruits, vegetables, nuts and other products, advertising helps to expand their consumption and maintain their prices. From the standpoint of the general public, advertising may be of distinct value as a source of information. Especially is this the case if the products advertised have particular virtues in respect to balanced nutrition and promotion of health.

To assist you to meet your objectives, it has been suggested that the members of a control committee, acting as individuals, or as a committee outside the marketing agreement, may sponsor and administer voluntary advertising programs without involving the Secretary of Agriculture. Such sponsorship would give members of the industry confidence that the funds would be handled by responsible persons, with the interest of the entire industry at heart. Furthermore, facilities of the control committee for clerical help and accounting might be used, provided the pro rata cost of this service were charged against the advertising funds raised. In some instances, this would doubtless decrease the cost of carrying on the advertising program, and would make possible a program which otherwise would be impossible.

I wish to point out that the marketing agreements sponsored by the Administration do not deny to any industry the right to continue advertising. I assure you that this Administration is sympathetic with the problems of the various producer groups, and is mindful of the part advertising has played and may play in promoting their welfare. But we are not willing to take any steps which, directly or indirectly, might be construed as endangering the freedom of the press.

Sincerely yours,

Secretary.

So much for that. I took a new question.

P. R. Taylor, Assistant Chief of the General Crop Section of AAA, answered it. The question was:

"In the event a cooperative group of growers, operating under a marketing agreement, sent their budget to Washington (as they must do) for approval by the Agricultural Department, and included in that budget an assessment for advertising with specifications to the effect that this advertising unit in the budget had no relation to government control, or, in other words, would not be left to the government for distribution to the various agencies and papers, would the AAA approve such an advertising appropriation and permit it to remain as part of the cooperative group's operating budget?"

Again the answer is NO. The government is not going into the advertising.

(Continued on page 278)

Laundry "Fabric Fashion Shows" Help Make Peace with Stores

THE nation's laundrymen are beginning a new attack upon an old problem. They are using "fabric fashion shows" partly to build new public confidence in laundries—mainly to create good feeling between themselves and local stores. They strive to end the traditional buck passing that so often takes place when fabric fails in the laundry.

When a woman takes back to a store a dress that couldn't stand the laundry and a clerk says: "It's the laundry's fault," half a crime against good business has been committed, according to Laundryowners National Association. It becomes a complete crime if the laundryman tells the woman: "The store sold you bad merchandise." Since the woman is the customer of both, each breaks down her confidence in the other. Both lose. There's no sense in that. They should work together, says L. N. A. So it started "fabric fashion shows."

The main idea is to conduct a week's exhibition to show people that good manufacturers make—and good stores sell—fabrics that will wash. And that a good laundry does the work beautifully.

In order to give such an exhibition double appeal to women, L. N. A. conceived the "fashion" angle this Winter.

Stores Find Tie-ups Profitable

The first show was held under the Association's eye in Joliet, Illinois. The second was in McCook, Nebraska, the third in Louisville, Kentucky, sponsored by the Women's Civic Club. For the next two months shows are already scheduled for San Diego, Oklahoma City, Cleveland and Buffalo. The plan is spreading over the country.

In each city the laundry association—or single laundry as in the case of McCook—invites local stores to provide launderable merchandise in units of two. One piece is for exhibition "as is" in the store's booth. The other is to be shown after laundering. Each store can, of course, build up a considerable display of timely fashionable things if it sees fit. The opportunity to show new headline items to exhibition crowds looks like good promotion to any store.

A fashion show is then worked up jointly by the laundries and stores. Models are paraded in pairs—wearing

a new dress and the same garment after laundering. Talks on good laundry processing are made. Ideas about proper treatment of fabrics at home are instilled. Publicity in co-operative newspaper pages, on the air, and in store advertising before and during the show helps swell attendance. Laundry routemen carry special invitations. Various promotions put the thing over.

At the Louisville show, 17 nationally known manufacturers took space to display new merchandise—before and after laundering. They were: American Bemberg Corporation, Cannon Mills, Inc., Celanese Corporation of America, Chatham Manufacturing Company, du Pont Rayon Company, Goodall Company, Haspel Brothers, Inc., W. S. McKay & Company, Nashua Manufacturing Company, Pepperell Manufacturing Company, Pequot Mills, St. Mary's Woolen Manufacturing Company, Sweet Orr & Company, Wamsutta Mills, Wellington Sears Company, Inc., Callaway Mills, and Ely & Walker Dry Goods Company.

The general results of the "fabric fashion shows" are said to be many—and mostly good. Laundries are able to put over a good deal of educational advertising helping to divert public attention from price to quality service; routemen and laundry salesmen get something fresh and new to

talk about in winning new customers. The stores get low-cost publicity for new merchandise; they identify themselves with "quality"; they help to lessen the troubles of their own complaint departments, and so on.

But the biggest benefit of all is that stores and laundries get closer together; they learn more about each others' problems.

In Louisville one of the direct results was an invitation to the Laundryowners National Association to send a lecturer on a tour of local stores to address clerks. He will discuss the precautions used by present-day quality laundries to conserve fabric life. These talks are counted on to help overcome the prejudice which still exists among some retailers against laundry service.

The shows help tell the public of the research work which the American Institute of Laundering—the L. N. A. "proving and improving station" at Joliet—is doing for the people of this country. It not only develops better laundry methods and trains laundry workers but it also helps manufacturers to make fabrics safely washable. This year it has improved textile relations to such a point that at least three manufacturers—Turner Halsey Company, Fuller Fabrics, Inc., and Pequot Mills—carry the Institute's "Laundry-Tested and Approved" seal on their products.



More than 1,000 women a day went through the retailers' and manufacturers' exhibits at the Louisville show, called "Fashionable Fabrics on Parade." It ran a week. Many an idea about good work by laundries was registered on the visitors.



The package intrigues, explains, sells—does everything except finance your mortgage on the ground

International Paper Seeks to Bring Million "Dream Gardens" to Life

INTERNATIONAL Paper Company—after last year's rather modest introduction—is tackling the garden trade in a big way. The company plans to sell at least 1,000,000 Come-Pakt planned gardens this Spring. Judging by the way the big buyers are responding, the volume may be larger than that. The number of grocery and hardware jobbers signed for it—"hand-picked" by the company, and totaling 122—is twice as large as last year, when 450,000 packages were sold.

International makes almost every conceivable kind of paper. One of the kinds is mulch. The dictionary says that a mulch is any loose material used to protect the roots of plants. Mulch paper, however, is not loose. It is compact and heavy and dark. Used for flower gardens, with holes in it only where the flowers are to be planted, it is said to keep out weeds and retain moisture in the soil.

Gardens by the Foot

To sell the paper, International last year cut it up into several sizes of small gardens, employed flower experts to pick appropriate assortments; punched appropriate holes, bought the appropriate flowers, numbered seed packets and holes the same, included fertilizer, put them all together, and employed Nascon Service, Inc., New York, to design a package, with directions, and other material.

The mulch paper was wrapped around seed packets, fertilizer, information and gardening accessories,—wire and stakes. There was an outside cover, of course, in two colors. The packages were tube-shaped.

They were sold in \$1, \$1.50 and \$2 sizes, ranging from 10 feet by 18 inches to 10 feet by 36 inches, and with 7 to 15 varieties included.

The flower seed selling season is short—only February and March, wholesale, for most of the country, and April and May, retail. In its debut last year, International started late. Even so, the response was good. An important "educational" factor was the sale of a "sample" package, with

three flower varieties, an 18 by 36-inch paper and a bit of fertilizer, through Woolworth, Kresge, Murphy and other chains. About 450 Woolworth stores were signed for it.

This year International started earlier. J. A. Burke, manager of the mulch paper division, and his assistants, have had time to plan and work ahead—and the actual sales of 1934 response to talk about. The sample package is being continued, but there are only two regular sizes—\$1 and \$2.

The package, in four colors, is a long rectangle. On each of the four sides appear, very plainly the words, "The New Come-Pakt Planned Garden." On one side are listed all the varieties of seeds enclosed. On the ends of all four sides are shown, in natural colors, all the varieties enclosed. On one side are listed and shown all the *things* enclosed. And in the center, one side after another, appear the four steps in the development of a planned garden.

After the soil has been prepared and fertilized, and the mulch paper pattern rolled out over it, the pattern is anchored with wire and stakes, the seeds planted through the holes according to numbers.

The third and fourth steps, it is emphasized, the flower plants take pretty much by themselves. Step No. 3 is "no cultivating required." Paper remains on ground; prevents weeds, conserves moisture." Step No. 4 is "the garden in full bloom. . . Nothing else to do but pick the flowers."

A Dilemma of Reciprocity

International, it is said, would like to promote Come-Pakt in extensive consumer advertising. But, being the largest supplier of paper to newspapers and magazines, the company is at a loss to know how to do it in these media without raising a howl from paper customers who don't get advertising copy. And Come-Pakt, promising as it is, is not yet big enough to justify using *all* the publications which International serves. To use *radio*, of course, would create even more of a problem. . . .

So the promotion this year will be confined to the package itself, to "sampling," to point-of-sale material, catalog inserts, and flower shows.

Sears, Roebuck is running 4,200,000 colored inserts on Come-Pakt in its new catalog. International is taking an additional 1,000,000 of these for general distribution. Several seed company catalogs are carrying Come-Pakt pages—filling orders by mail. International will show and sell at the dozen larger flower shows. The regular packages will be sold by A. & P. Kroger and other grocery chains and by independent grocers, hardware stores and florists. All the 1,900 Woolworth stores in this country are expected to be among variety chains carrying "sample" packages.

After all, Mr. Burke thinks, a lot of people must want flowers, painlessly. A lot of people want their flowers to look as pretty as the illustrations. The Come-Pakt slogan is, "The garden of your dreams come true."



Keynote poster for this year's Silk Review in stores and publications throughout the country, March 18 to 23, is this youthful head which International Silk Guild describes as "against a fluid, shaded background symbolizing the flexibility and sense of motion that is characteristic of Spring silk fashions." Its colors shade from royal blue at the top, downward through deep sapphire, delicate light greens and soft yellows to rich dark brown for the copy at the bottom. These colors, while arresting, are intended to be soft enough to blend into the merchandise of all store departments.

SALES MANAGEMENT

Cooperative Newspaper Advertising to Back New Jayson Shirt

The appetite of buyers for improved products which are good enough to promote aggressively is well demonstrated by the enthusiasm with which the men's wear trade is grabbing the new Jayson shirt. Here's the story behind the introduction of a shirt which may sound the knell of starched collar garments for men.

THE new "Jayson" shirt is kicking up quite a fuss in the men's wear industry.

Presented to the trade in late December, this new shirt-with-a-starchless-collar-that-won't-wilt has been seized by buyers as one of the biggest potential merchandising opportunities since the non-shrink shirt made its appearance. "Jayson" is a product of F. Jacobson & Sons, an old-time shirt house which, until now, has never engaged in national advertising. Most of Jacobson's business has heretofore been the manufacture of privately branded shirts sold through men's wear and specialty stores.

Briefly, the story behind Jayson is this: A new process was developed through which the two sides of the collar are chemically sealed together, thus making a true "one piece" collar. The advantages claimed for it are these: It will not wilt, even in the hottest weather, and it requires no starch in laundering. It is porous and pliable, thus doing away with the "saw edge" which so often characterizes the standard starched collar, and it allows complete circulation of air and evaporation about the neck. It will not wrinkle, blister, crack or curl in laundering.

Alfred J. Silberstein (who had such a big hand in the Lorraine seersucker suit campaign that clicked so well last year), president of the advertising agency bearing his name, told SALES MANAGEMENT about the unusual response among the trade to the Jayson shirt sales story.

January and February are normally "dead" months of the year in the shirt business, due mostly to the fact that inventory time is close and stores are cleaning out old stocks as completely as possible with cut price sales. "We figured," Mr. Silberstein said, "that we would have these two months—and March, perhaps—to contact the trade, get advertising under way, and

MARCH 1, 1935



(Above) Several attractive society girls demonstrated to crowds at the International Trade Fair in New York, the ease with which the collars of the new Jayson shirts can be ironed. (Left) The John David stores, New York, ran this full page in the *Times* to introduce Jayson shirts to their customers.

WHAT WHEN

JOHN DAVID
For Men

NOW!

The Greatest Innovation For Smart Style With Comfort
Since The Birth Of The Collar-Attached Shirt

It's the best! For the shirt which
won't wilt, curl, or shrink. It's the
best! For the shirt which
won't wrinkle, blister, or crack. It's the
best! For the shirt which
won't require starch. It's the
best! For the shirt which
won't require ironing. It's the
best! For the shirt which
won't require a collar.



NO WILT
NO CURL
NO STARCH
NO CRACK
NO WRINKLE
NO BLISTER
NO STIFFNESS
NO STAYS

\$1.95
AND \$2.50

THE JAYSON SHIRT
WITH THE JAYSON NO STARCH, NO WILT COLLAR

The miracle shirt. The greatest advance for smart style and solid comfort in Men's Shirts since
the creation of the Collar-Attached Shirt. Always in demand. Always new looking.
Always comfortable. Warm, long and beautiful like new without starch.
Available in a wide variety of new patterns, rich plain dyes and white.
Choose of 100 grades—\$1.95 and \$2.50 each.

COMPARE!

arrange for distribution of mats, etc. But the first buyers who saw the new shirt were so enthusiastic over its selling possibilities that they wanted to stage promotions immediately, with the result that we could neither deliver stocks nor get display materials, etc., ready rapidly enough."

Among the first stores to introduce Jayson shirts in specially planned merchandising events were Kennedy's, Boston; The Hub, Chicago; John David and Weber & Heilbroner, New York, and Roos Brothers, San Francisco. Initial orders from John David alone ran above 5,000 dozen shirts.

Advertising of men's branded shirts by manufacturers has heretofore been confined largely to national magazines, with the burden of local promotion placed entirely on the dealer. Jayson takes a new policy. A national campaign will be used in *Time*, *The Saturday Evening Post*, *Collier's*,

an equal amount. This allowance is made toward the payment of newspaper advertising space actually used. If the merchant buys 200 dozen shirts, he is thus entitled to an allowance for advertising of \$100, provided the newspaper space used actually costs him \$200. If, however, the actual advertising comes to only \$150, his allowance is but \$75. Jacobson furnishes a wide selection of mats. Advertising must be devoted solely to the Jayson shirt and must carry a reproduction of the label. The merchandise must be sold at the full price.

Another service is offered to the dealer: Each shirt, of course, carries the "Jayson" label, but the dealer can also attach his own label if he cares to. Prices on the new line, which is furnished in a wide variety of fabrics and colors, range from \$1.95 to \$5. Even a dress shirt is included.

(Continued on page 281)

Turning a Short-Profit Staple Into a Long-Profit Specialty

BY S. F. HAXTON

GEORGE W. HAXTON & SON, INC., of Oakfield, New York, have been in the bean business since 1880, when my father began buying beans from farmers, having them hand-picked, putting them in barrels and shipping them to the city markets. The business, now owned by my brother, today operates forty elevators and ships New York State beans in world commerce—sometimes as many as fifty carloads a day.

The largest individual customers are, of course, the packers of baked beans and soups, but no wholesale grocer could do business without beans, and many of them buy in car lots or even purchase several cars at a time. The barrel, holding more than 300 pounds, has been displaced as the standard package by the cotton or burlap bag, holding 100 pounds net, which is supplemented by 25-pound sacks. There is some sale of beans in 2- and 5-pound paper bags, but as a rule the grocer buys a 100-pound sack, puts it in a bin under the counter, and sells from bulk.

In Philadelphia an aggressive bean brokerage firm, E. W. Mills Company, who represented Haxton in that market, felt that beans could be sold in larger volume if they were brought up from under the counter and put on display—on a table, showcase or counter. They had noted that some of the better grocers already were packaging beans in one-pound transparent bags and putting the bags on display, with price cards plainly visible.

So Mills enlisted the cooperation of a leading Philadelphia distributing organization, the Quaker City Wholesale Grocery Company, owned by the grocers themselves, and had beans in one-pound transparent bags put in twenty-five representative stores. That was all that was done. The beans were piled on a table, with a price card, and the storekeepers were urged to put no special effort whatever behind their sale. At the end of thirty days the results were checked. The merchants cooperating had sold three, five, and even ten times as many beans in the thirty days as they had sold in the preceding thirty days, without display

of the merchandise! Yet the prices of the beans in one-pound transparent containers, to the consumer, were often twice as much as the price of similar beans from bulk.

As a result, it was decided to offer the beans in the new package to the trade generally. Satisfactory trade discounts were arranged, and the introduction of the new line was announced on a *post card* (because all wholesale grocers are accustomed to receiving weekly price changes from bean shippers in post card form). The first purchasers (and there were many) immediately asked that, in addition to beans, they should be supplied with green and yellow split peas and lentils in the same form of package. The line was extended to cover these and quoted to the trade as follows:

HAXTON BEANS, PEAS AND LENTILS IN DOUBLE CELLOPHANE PACKAGES
Packed 24 One-Pound Bags in Carton
Freight Prepaid in Quantities of 50 Cases or More

	Price to Retailer	Retail Price Per Bag	Grocer's Margin Per Cent
Pea Beans	\$1.55	\$0.09	28
Medium Beans	1.55	.09	28
Red Kidney Beans..	2.10	.13	32
Jumbo Marrow Beans	1.95	.12	32
White Kidney Beans.	2.10	.12	27
Yellow Eye Beans...	2.15	.12	25
Lima Beans (Large)..	2.50	.14	25
Lima Beans (Baby)..	2.10	.12	27
Lentils	2.70	.15	25
Green Split Peas....	2.40	.13	23
Yellow Split Peas....	1.90	.11	28

These packages contain the finest quality and the beans are double hand-picked and polished. Prices subject confirmation. Usual Bean Terms—Arrival Draft.

GEO. W. HAXTON & SON, INC.
OAKFIELD, N. Y.

The card as mailed showed also the cost to the wholesale grocer, to whom the margin for profit was as satisfactory as that to the retailer.

Reorders from the jobbers showed the soundness of the plan, and then a letter went to the trade:

How would you like
to make money on beans?

You can't make much money handling beans for 25 to 60 cents a hundred pounds. How would you like a margin of \$1 to \$1.40 per hundred pounds?

You can get this margin by selling beans ... and limas, split peas, and lentils ... as packed by us in Cellophane and priced on the enclosed card.

By parcel post today we are sending you a one-pound bag of Haxton Jumbo Marrow Beans. Note that the bag is double, of extra heavy cellophane, to stand abuse. The beans are extra fancy—far better than it is possible to buy in bulk. The choicest that come into our 40 elevators are reserved for

(Continued on page 286)

SALES MANAGEMENT



Cinderella Bean becomes belle of the grocery ball

It's about beans—and it's one of the most interesting little stories that has dropped into the Sales Management office, unsolicited, in a month or more. It's about a company you probably never heard of. But it contains a sales letter we consider a gem, and it's about a problem common to many, many products: That of putting profit into a staple.

We Know the Answers..

--to your questions about how to make advertising more effective in the Oklahoma City market.

As examples, four facts pertinent to current selling problems in this market and typical of the valuable data being compiled continuously by the Oklahoman and Times are briefed at the right.

A full-time research and marketing department, staffed by fact-finders, is maintained by these newspapers. The only instructions under which they work are--"Get the answers; truthfully, impartially, completely". We want only factual studies of current conditions. We believe our advertisers are entitled to share them.

If the complete, impartial truth will help you make your advertising more effective in this market, you'll want to get in touch with us immediately.

A Good Market for You to Know About

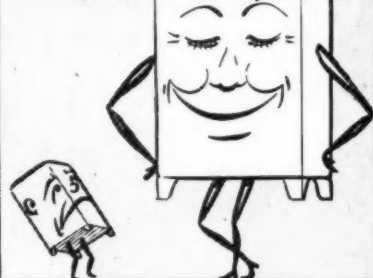
January found Oklahoma City buyers writing 89 million dollars in checks--a 16% increase over January, 1934. Selling is easier where people are buying. Concentrate your sales activities in the Oklahoma City market, and your advertising in the Oklahoman and Times.

THE DAILY OKLAHOMAN OKLAHOMA CITY TIMES

National Representative E-KATZ Special Advertising Agency

Q

What REFRIGERATOR
jumped from 7th to
2nd place in 1934
and at whose expense?



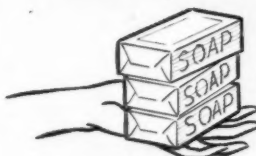
A

You'll find it named in the Home Furnishings Guide to Oklahoma City--a comprehensive physical inventory of home furnishings in this market.

Q

How Many
bars of soap does
a housewife keep
on hand

*--or what's the matter
with Soap deals?*



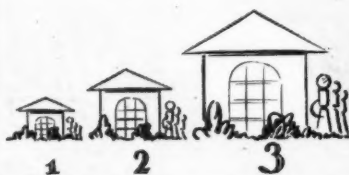
A

This is but one of hundreds of problems dealt with in our recent consumer study of soap products.

Q

Would MORE
FILLING STATIONS
mean more gallonage

*--or would less be
an economy?*



A

Producers, distributors and consumers answered this question in "Gasoline Sales in Oklahoma City"--one of the most comprehensive researches on the subject ever made by any newspaper.

Q

CAN A FIRST CLASS
BEER -- unknown in
the Market, and without
distribution, capture a
leading place in both sales
and distribution in less
than a year?



A

It takes dealers to answer that one! And they answered it, with scores of others, in "The Beer Market in Oklahoma City"--like all the others a factual, non-opinionative study of current conditions.



Number 8 of a Series

This is one of a series of analyses made by the SALES MANAGEMENT editors, acting for the publishers of the dominant business papers listed at right. Others who have told why they use business papers and the results they have secured: General Electric, Bendix Aviation, Cannon Mills, Johns-Manville, Fruehauf Trailer, Bakelite and Gorham.

A BICE BUSINESS PA ADVERTISING HELPED IMMEASURAB

Says Head of Lincoln Elec

THE LINCOLN ELECTRIC CO.

MANUFACTURERS OF
"Linc-Weld" Motors "Shield-
OFFICES IN ALL PRINCIPAL
12815 COIT RD.
P.O. BOX 683
CLEVELAND, O.

Mr. Philip Salisbury,
Sales Management,
420 Lexington Avenue,
New York, N. Y.

Dear Mr. Salisbury:

When we started to advertise our operators and accessory equipment some twenty years ago we realized that we must first sell the idea. Our selection of media to do this was principally of business papers. So we told manufacturers, to engineers, to designers the conditions which we believed no forward-looking man to miss.

This business paper advertising has been able in selling the process of arc welding. using the same class of media to sell all our products and find the results just as satisfactory.

Throughout the depression we continued advertising with only minor reductions. Despite business conditions our advertising proved profitable. We believe good advertising for a good product. We want you to know that we believe sincerely of the business magazine. It is at once the source of information for an industry or profession, the of that industry's cause, and the pilot which leads the course ahead.

Very truly yours,

THE LINCOLN ELECTRIC CO.

J. F. Lincoln
President

JPL:Y

IDEA HAD TO BE SOLD

THE Lincoln Electric Company, Cleveland, is the world's largest manufacturer of arc welding generators — but twenty years ago the idea was new and the company was small. They chose business papers to sell the idea. The advertising "took", the company grew, their line of products expanded.

Today they are using the same class of media and find the results just as satisfactory. Twenty-two magazines, in almost as many fields, are on this year's list. Their

products include welding electrodes, welding accessories and supplies and A.C. motors, in addition to electric arc generators.

The electric arc, with a blue flash of light and a businesslike hiss, fuses two pieces of metal into a single unit, with a weld stronger than the pieces joined.

The Lincoln process is used in almost every type of construction. Bridges, skyscrapers, homes and factories are now arc welded. Pipe lines, air ducts, pressure vessels are built more cheaply with the arc. The list of arc welded products includes chair frames (as shown in the illustration), ships, tanks, wheelbarrows, scales, grain elevators, Boy Scout stoves, bicycles, tractors, machine bases, pumps, bar joists, beer barrels, grave vaults — and the "big idea" was sold to most of these fields through business paper advertising.

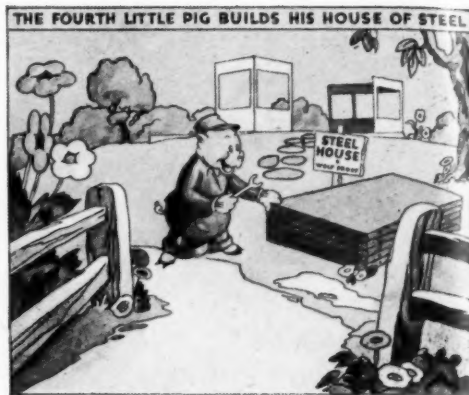


James F. Lincoln, President of The Lincoln Electric Company. In 1907 Mr. Lincoln entered the service of The Lincoln Electric Company as a salesman. Five years later he was made general manager of the company and in 1929 he assumed the presidency. Mr. Lincoln has been a pioneer in the development of arc welding equipment, especially of the automatic type and has taken out a number of patents on equipment now being manufactured by The Lincoln Electric Company. He has also been active in furthering the application of arc welding, and is one of the best known men in the country in this field of engineering work. As early as 1915 he began to advocate the use of arc welded steel to replace castings.

AMERICAN BUILDER and BUILDING AGE, Chicago
 ARCHITECTURAL RECORD, New York
 AUTOMOTIVE MERCHANDISING, New York
 BAKERS REVIEW, New York
 BAKERS WEEKLY, New York
 BOOT AND SHOE RECORDER, New York
 BUILDING SUPPLY NEWS and HOME APPLIANCES, Chicago
 CHAIN STORE AGE, New York
 CHEMICAL AND METALLURGICAL ENGINEERING, New York
 CONFECTIONERS' JOURNAL, Philadelphia
 DOMESTIC ENGINEERING, Chicago
 DRY GOODS ECONOMIST, New York
 ELECTRICAL DEALER, Chicago
 ENGINEERING AND MINING JOURNAL, New York
 FLEET OWNER, New York
 HARDWARE AGE, New York
 HARDWARE RETAILER, Indianapolis
 HOUSE FURNISHING REVIEW, New York
 ICE CREAM TRADE JOURNAL, New York
 IRON AGE, New York
 JEWELERS' CIRCULAR-KEYSTONE, New York
 LAUNDRY AGE, New York
 MACHINERY, New York
 MARINE ENGINEERING AND SHIPPING AGE, New York
 MILL AND FACTORY, New York
 NATIONAL PETROLEUM NEWS, Cleveland
 OIL AND GAS JOURNAL, Tulsa
 PROGRESSIVE GROCER, New York
 REFINER AND NATURAL GASOLINE MANUFACTURER, Houston
 RESTAURANT MANAGEMENT, New York
 RUG PROFITS, New York
 SALES MANAGEMENT, New York
 STEEL, Cleveland
 TIRES, New York



(Left) Today's "package" houses are modern in line, in livability, in low cost. But their makers must find more buyers. (Right) No big bad wolves of fire, rot, or costly upkeep threaten them.



"Package" Houses in 1935 Face Big Interest, Little Volume

THE marketing of prefabricated houses in this country is definitely started for 1935. It is, however, largely limited to regional operations. Wise men of this new infant industry prophesy no large volume until enough years have elapsed to give the idea time to infiltrate.

At the moment the four leaders of the business—American Houses of New York, General Houses of Chicago, Insulated Steel of Cleveland and Universal of Cincinnati—continue to be the only concerns with a product ready for distribution. (SM, December 15.) They have built less than 20 each. And they are still experimenting with materials, equipment, financing plans, and sales methods. The "package house," alluring and architecturally satisfactory as it is, remains in a state of flux.

American Houses—the selling organization for Houses, Inc., whose avowed purpose is "to correlate the worth-while efforts that are being made by various manufacturers of prefabricated houses"—uses its Grand Central Palace showroom in New York as sales headquarters. It plans to erect three or four sample houses outdoors in White Plains, New York, in cooperation with Westchester County real estate interests. And it hopes soon to put typical houses in the John Wanamaker stores of New York and Philadelphia—possibly in other department stores in the East. Store displays would give American's men chances to sell houses; store men chances to sell home equipment. Various promotional efforts are included in American's immediate plans.

General Electric Company, whose home equipment is used in American houses, is helping to advance the low-cost, modern home idea with an architect's design contest and with

other promotion. More than 10,000 entries have already been filed and the contest does not close until March 12.

General Houses, with a selling organization in Chicago and a mailing list based on about 15,000 names of people who expressed interest in General's exhibit at A Century of Progress, is centering most of its attention on the Chicago area, but is erecting a few dwellings as far east as Cambridge, Mass. It has tentative arrangements with distributors in New York, Wilmington, Del., and Denver.

The Cleveland and Cincinnati steel house companies, using Armco iron principally and benefiting by American Rolling Mill's active publicity of the steel house idea, also have selling set-ups in their own communities. These may soon be expanded.

But in each case the company is merely a sales and promotional outlet for products and structural members produced by various manufacturers. None operates a complete house-manufacturing plant of its own, although that may be a natural development when demand rises.

Most of the companies up to now have attempted to sell for cash. American, in its February prospectus, says it will test out various financing plans that it expects will ultimately lead to a monthly instalment basis—with \$38 a month at the bottom—extending over 15 years.

The day of volume production for prefabricated houses is afar off, a great producer of materials used in various of the new houses tells SALES MANAGEMENT. This opinion is based upon an eight-year, nation-wide study of the prefabricated house idea.

It declares building codes throughout the nation—based, of course, upon conventional construction—offer such constant obstacles that the new-type houses are limited to country and scat-

tering town areas. Since the labor factor is less than 25% of the cost of a "factory-built" house—nearly 75% in a conventional house—the opposition of union labor will be hard to meet.

Prefabricated house men, for their part, say building codes have not bothered them much thus far; that union labor will find a comfortable place in the picture before factory-built houses reach enough volume to make the labor factor acute; that if present-day financing sources do not rise to their opportunity new ones will.

A General House director points out to SM that the day is at hand when these new houses can be so easily knocked down, moved and reassembled that the house will not even be tied to the land. Its long-time value thus is greatly increased. This factor he thinks will give assembled houses a new appeal to capital.

While all these companies promote their differing basic ideas of construction, Harvey Wiley Corbett, New York and London architect, comes to the front with another new principle for homes. He tells SALES MANAGEMENT that within a year he expects to see homes built of wall units, each self-supporting—instead of depending upon a steel framework—and each a complete part of the house's lighting, heating and air conditioning systems and of its interior and exterior decoration. In other words, a house of blocks that can be locked together in any desired arrangement—or changed from year to year to suit the owner—is in the offing.

These houses, he says, will be heated by direct radiation from hollow walls. A temperature of only 62 or 63 degrees Fahrenheit will be as comfortable as 70 in a house heated by conventional methods—just as direct sun warms one in chill air. Thus heating will be cheaper. And so will Summer cooling. Such houses, he says, will sell for half the price of today's houses of comparable size. But nobody has built one yet.

SALES MANAGEMENT

Sunkist Aids Science—Now Doctors and Dentists Help Sell Oranges

SCIENCE helps sell oranges. Doctors and dentists, in the ordinary practice of their profession, are increasing the nation's consumption of this citrus fruit.

They are doing it because California Fruit Growers' Exchange, shippers of Sunkist oranges, on the one hand, and the medical and dental professions on the other, long ago learned how to cooperate ethically for the good of humanity.

Of course Sunkist alone does not get all the commercial benefit, but it gets its share.

In the case of Sunkist, there is such a complete absence of "commercialism" that dentists, doctors and research scientists have bought, at cost, from the California Fruit Growers' Exchange more than 12,000 copies of the detailed record of the nutritional value of oranges and lemons. It is almost a standard medical text. Today dentists are distributing thousands of Sunkist booklets, "World's New Dental Story" to their patients.

Steps Toward "2 Glasses a Day"

If we can increase per capita consumption 3/10 of an orange a week, we shall be able to take care of our estimated orange production for 1937-38. Since per capita consumption of oranges has been increased 31% in the past five years, we hope to continue disposing of our increased production as it comes along.

The task of building up orange consumption has long been assumed by the California Fruit Growers' Exchange. Crops have increased through the years until the total orange supply for the United States in 1933-34 was 42,026,292 boxes, of which California furnished about two-thirds.

Yet, with the tremendous increase in orange consumption in a decade, per capita consumption today amounts to only a little over 1 1/4 oranges per person per week.

We still have a long way to go with our "two glasses a day for vigorous health" story!

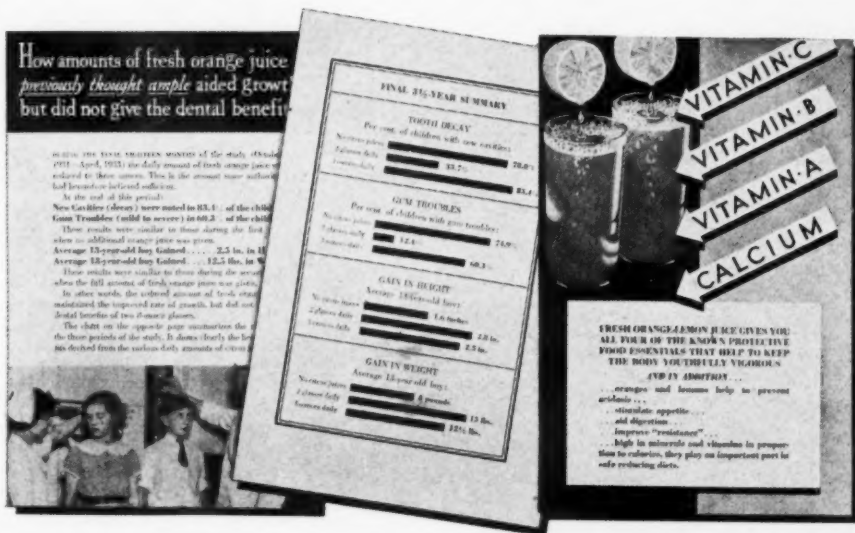
Today, however, Sunkist has a health message in its Vitamin C content the possibilities of which are unfolding daily. We are only advertisers, not scientists. We can't shout these things to the world until the research workers who whisper them have tested, weighed and proved beyond

MARCH 1, 1935

BY W. B. GEISSINGER

Advertising Manager,
California Fruit Growers' Exchange,
Los Angeles, California

Many a product must have the support of some group of professional men—doctors, dentists, architects, opticians or others—if it is to win and hold any degree of standing in its market. Sunkist's approach to the problem may suggest ideas to concerns in other fields who seek the good will of the professional group.



Pages from Sunkist's booklet summarizing for the layman the results of the Mooseheart test. These are being distributed by doctors and dentists and direct from the company to consumers who clip the coupon appearing in current advertisements.

doubt their discoveries. But, at least we can say the future looks promising for orange juice.

Sunkist has been advertising for 27 years. Started in 1907, varied appeals and new strategies were developed through constant research and careful balancing. "Appetite" appeal, the "natural" copy, has been included always.

But with increased public knowledge of nutrition and increased budgeting of family expenditures, oranges must have more than appetite appeal to "put them over."

Sunkist knew it had a product it could sell on a "good-for-you" basis conscientiously. But the why's and wherefore's had to be worked out. So for the last nine years, Sunkist has developed its nutritional research.

One of the first specific health values to be attributed to citrus fruits was

their vitamin content. Before they were actually named "vitamins" they were known as "accessory food factors." None of them had been isolated as an actual compound, but their beneficial effect on health was established mainly by noting the dire results to health when they were absent from the diet. Thus orange and lemon juice was known to prevent scurvy and to cure it. Then the discovery narrowed down to a specific substance—known as Vitamin C. Not only scurvy, but a hundred kindred ills now are associated with the lack of this vitamin.

When sufficient proof had been established, Sunkist incorporated in its advertising copy the information that oranges and lemons contain vitamins, explaining what vitamins are and how they aid health. This was in 1922.

Research on "The Growth-Stimulating Influence of Orange Juice,"

[269]



.....and into a magazine, skilled editorial hands can shape a lens-like quality that focuses reader attention...magnifies sales appeal...spotlights the advertising pages from cover to cover!

THE **American** MAGAZINE

The Crowell Publishing Company...COLLIER'S, WOMAN'S HOME COMPANION, THE AMERICAN MAGAZINE, THE COUNTRY HOME...Combined Circulation Over 8,300,000

"Child Feeding" and "Retention of Calcium" was incorporated in a child health campaign which has continued throughout the years as part of Sunkist's educational advertising.

Several of these investigations were conducted under the auspices of the University of California. Results of this work were incorporated in educational advertising sent to child health workers and teachers and appeared in advertisements addressed to professional groups.

After the discovery of vitamin content, alkaline reaction became the subject of study.

A popular misconception regarding citrus was found to grow out of its acid taste. The tart flavor was confused in many people's minds with acid reaction in the body.

Search of dietetic sources, however, proved this fruit, while acid in taste, had an alkaline reaction in the body. Such information was employed in some of Sunkist's first health advertisements. Findings by clinical research workers were used in 1927-28 as the basis of a campaign showing the value of citrus fruits for their alkaline reaction.

This was the time when the sylph-like figure was a fetish with many women, and Sunkist ventured to include in its copy "safe reducing diets," again basing its claims for the value of citrus in this particular field on recommendations made as a result of the comprehensive research work.

Sunkist Applies Science

Just how Sunkist has achieved the cooperation of both the academic research scientist and the medical and dental adviser of the consumer may be illustrated best by outlining the steps that led to the Mooseheart study with its findings that orange and lemon juice are vital factors in the prevention and alleviation of tooth and gum troubles.

Scholarly science made the findings; Sunkist made the application. It was granted the privilege of doing this because it fostered and supported the research, without distorting the ascertained facts, never going beyond the proved determinations.

The story of a "marvelous cure for trench mouth" through administering a quart of orange juice daily came to the attention of the California Fruit Growers' Exchange through a prominent Midwestern banker wintering in California. An Exchange official on a visit East contacted the dentist who prescribed the orange juice; learned from him that a group of dentists in Chicago had been studying the dietary habits of their patients, and found

that recurring decay and gum troubles appeared to be frequent when the intake of fresh citrus fruits was low. In the case of the banker's son they increased the intake of orange and lemon juice to a quart a day—and in six days saw results that astounded them.

These dentists were anxious to see their observations given the acid test of a controlled study. They wanted dietary conditions duplicated on a large group capable of observation in the "before, during and after" stages.

They found such a group at Mooseheart, some 40 miles from Chicago.

But such research as they wished to do costs money. The single requirement of a pint of orange-lemon juice a day for some 350 children for one year was only one thing needed. Translated into average size oranges, this would constitute the output of 16 1/3 acres of oranges and 1 1/3 acres of lemons.

Objectivity—which always eases the relationship between industry and university in matters of scientific research—was another factor. This meant gathering of statistics, color photographs, X-rays, and thousands of chemical and bacteriological determinations at stated intervals during the two years of actual study.

The California Fruit Growers agreed to support the work. Their contribution took the form of fruit, ten and a half carloads of oranges and a carload of lemons, and an additional grant to the University of Chicago, under whose sponsorship the work was carried out.

It is estimated this research cost upwards of \$100,000. The University matched the cash grants in salaries and special equipment.

Reaching the Professions

Progressive results were published from time to time in professional journals. Sunkist was given the privilege of distributing reprints of these papers to the medical and dental profession through the regular ethical channels. Educational copy in professional journals brought response from thousands of physicians and dentists for copies of the technical reprints.

Upon completion of the Mooseheart program, findings were published by the University of Chicago in a scientific monograph. Over 12,000 copies of this 350-page book were distributed to professional groups interested. Some complimentary copies were sent to research workers, but the majority were sold at cost through coupon offers in advertisements in professional journals.

A concise but complete account of

"...a lens-like quality that focuses reader attention"

that's why

THE American MAGAZINE

... was the *most widely read* publication, in a 1934 survey made by a leading agency, among more than 30,000 prospects for sports ammunition. The list was made up of 2,000 subscribers from each of 16 publications, including general, outdoor, and farm. (The American was *not* one of the publications whose subscription lists were used.)

... was *second in popularity* among all magazines, in a 1934 survey made by a large publishing house, among grocery brokers, wholesalers, chain executives, independents, and grocery departments.

... was *second in preference*, in a 1934 investigation made by a leading truck manufacturer, among owners of one-ton and two-ton trucks.

... tied for *first choice*, with Collier's, among college students in a 1934 test made by the Daily Nebraskan, Nebraska University paper.

Y Y Y

THESE four recent investigations were selected because each covers a widely different field. In all 1934 reader preference surveys that have come to our attention, The American stands at or near the top—a position it has held consistently over the past ten years.



Millions of women readers come into their own

Beginning with the March issue of Country Gentleman, the millions of women and girls who read that magazine will see . . .

COUNTRY GENTLEWOMAN — improved, enlarged, dressed up—a magazine within a magazine.

Country Gentlewoman is introduced with a full color title page of striking beauty—followed by authoritative articles on fashions, entertaining and child care, cooking, gardening, beauty and interior decorating, all beautifully illustrated—and occupies 26 pages in Country Gentleman's March issue, which also contains 17 pages of fiction.

Thus will Country Gentlewoman intensify Country Gentleman's already remarkable appeal to the women in the best families in places under 10,000, where 40% of all retail sales originate. It will also intensify the usefulness of Country Gentleman to food, cosmetic, household appliance, building material, wearing apparel and other advertisers who value responsiveness, buying power and distribution of effort in proportion to sales opportunity. Eighty-six per cent of the 1,500,000 families who read Country Gentleman own automobiles. Seventy per cent own homes.

For many years a surprisingly large per-

centage of subscribers have been women—and for many years Country Gentleman's pattern sales have exceeded 300,000 a year.

The March issue also begins the expansion of many basic departments—such as livestock, poultry, orchards and crops—which have had so much to do with building America's Foremost Rural Magazine. Men, as well as women, will find it more interesting than ever.

Here are men and women, Country Gentleman readers, who are ideal customers for everything from thread to threshing machines—and here is the leading medium through which to attract their attention and win their regard.

If your product is one that most families can use or enjoy, Country Gentleman should be one of the first three magazines in your advertising plan.

COUNTRY GENTLEMAN

KEY TO 40% OF NATIONAL SALES POTENTIAL

THE CURTIS PUBLISHING COMPANY, PHILADELPHIA, BOSTON, CHICAGO, CLEVELAND, DETROIT, NEW YORK, SAN FRANCISCO
[272] SALES MANAGEMENT

Exceptional



The Prospect of Perennial Wheat

Wheat that re-seeds itself year after year—wheat that stays in the soil the year round, preventing wind erosion—WHAT NEWS THAT IS to rural communities—men and women alike!

In one of the greatest news stories of all time, Niels E. Hansen tells readers of Country Gentleman of the almost miraculous strides perennial wheat has made in Russia.

Think what that news means to rural families. It is the sort of news Country Gentleman families are used to finding in America's Foremost Rural Magazine.* No wonder women read it as well as the men.

*If you are a corporation executive, we'll be glad to send you a copy.

the study, written in lay terms, was prepared for distribution to laymen. Dentists and physicians, acquainted with the subject through the scientific report, began to request copies of "The World's New Dental Story" for distribution to their patients.

Research such as the Mooseheart study, which makes a fundamental contribution to health by materially decreasing tooth decay and gum troubles, needs no justification to critics who decry commercialization of research.

It is gratifying to know that in the foreword to "Diet and Dental Health" the Chicago Dental Research Club gave full credit to the California Fruit Growers' Exchange for its support of the Mooseheart undertaking.

However, Sunkist does not rest on

one piece of work. During the years we have built up friendly relations with many workers in the scientific field, so that we are kept informed—and in turn inform others—of current trends in nutritional science which may affect our business. When sufficient sound evidence crystallizes on a certain point, we place it in the hands of trained workers and let them evaluate it.

We are cooperating with a number of eminent scientists at the present time, insisting only that projects in which we participate be fundamental and be carried out by competent investigators and that the findings be as accurate as is humanly possible. With such a background, it is not difficult to obtain the cooperation or goodwill of men high in their professions.

of Talon for children's clothes increased to 28. All in all, the idea made a big year's start.

As 1935 runs forward into the Spring season, a good many more of the 5,000 retail outlets that have children's clothing departments are stocking up. Hookless Fastener offers them mats and promotional material; window display units at cost; a new picture book at low cost to be given away with purchases; a Spring campaign of national space in *Woman's Home Companion* and two or three parents' and teachers' publications, a chance to tie up locally with current motion pictures in which child actors are playing.

Finally the company's film, "Bye-Bye Buttons," is getting a wide distribution in addition to store showings. Schools, parent-teacher associations and other such groups keep 50 prints so busy now that more of them will probably have to be made.

Nobody knows exactly how many

Slide Fasteners Battle Buttons to Hold up Tots' Togs

Slide fasteners—instead of buttons—for kids' clothes have started a small revolution. They have created a whole new line of merchandise to sell to parents, and whole new sub-departments in stores to do the selling.

But before anything even faintly revolutionary could occur, a troublesome manufacturers' problem had to be solved. A price disadvantage had to be overcome at a time when price was vital.

For example, a tiny cotton dress with buttons may sell for 69 cents. With slide fasteners, the same type garment brings about \$1.39. If the two are displayed side by side what chance has the sales girl?

So the idea had to be sold to manufacturers; to the public. Then stores had to be convinced that buttonless garments of all sorts should have separate display and promotion.

It was a knotty promotional job that fell principally upon the Hookless Fastener Company, makers of Talon—slide fasteners produced in standard lengths to fit each tog for tots: Dresses, night clothes, snow suits, underwear, even leather shoes.

The company has done a job. To get the idea over to manufacturers it put on demonstrations with a child as the principal performer. Somehow words alone could not do the trick, but a tiny tot easily slipping into and out of Talon-fastened garments knocked 'em over. The company tried her out on buyer groups in two or three stores. She was a "wow" salesman. Then came the movie "Bye-Bye Buttons" to cover the country with the same story (S.M. October 10, 1934). Stores snatched it up for demonstra-

tion to customer groups.

Hookless Fastener ran space in *Woman's Home Companion* and *Parents' Magazine*. Its big idea was mentioned in the Jean Abbey broadcasts tying up with local store promotions. It furnished mats and promotional ideas to stores and sold them giveaway picture books for kids that told the hookless fastener story almost as well as the film.

The net result of a year's work that started last Spring is that more than 600 stores stocked children's clothes with Talon fasteners. About 125 of these set up sub-departments to handle this class of merchandise. The four manufacturers who were original users



Sub-departments like this in stores give slide-fastened children's clothes complete separation from buttoned togs.

children's garments with slide fasteners were sold during the first year 1934. Probably it ran close to 250,000. As for the second year, 1935, Sales Manager John E. Keilly makes broad motions with his hands and begins figuring: "There are at least 2,000,000 babies born each year; the population under eight years of age is about 10,000,000; the average child gets in the neighborhood of 30 garments a year," and so on.

Anyway the market is huge, stores are pretty well sold on the idea, manufacturers are expanding the children's wear to which slide fasteners can be attached—and buttons have a strong competitor.



*Hungry little mouths
get the Best of Everything*

IT'S a law of nature that the female of any species provides the best nourishment she can possibly find for her young. Lion cubs get the choicest morsels. Fledglings get the fattest worms.

As it is with animals, so it is with human mothers. Watch a young mother shop. Food she once accepted without thought she questions now. Is it pure? Is it safe? Is it nourishing? Is it the best she can get for that precious little cargo she must see safely through the shoals of childhood?

Where shall she turn for guidance? To general magazines, which offer her entertainment? To women's magazines, which tell her how to cook and dress and hold her husband? Or to the magazine that faithfully provides expert advice on all phases of the one subject of almost fanatical interest to her—the rearing of her children?

Today, more than a third of a million young mothers turn to the editorial and advertising pages of The Parents' Magazine for guidance in the selection of food for more than a million and a quarter hungry mouths.

They buy in large quantities and wide varieties—this means great volume and rapid turnover. And to advertisers who offer sound counsel goes not only immediate profit, but brand-buying loyalty for many years to come.

* * *

It seems hardly necessary to add that in the purchase of drugs and toilet goods, clothing and household supplies, and almost everything else she buys, a young mother exercises a like caution, controls a like volume, offers a like reward . . . and that, therefore

*An Advertiser's Best Friend is a Mother
And a Mother's Best Friend is The Parent's Magazine*

BY
JULES BACKMAN AND A. L. JACKSON
Editors of Economics Statistics, Inc.
New York

Textile Activity Boosts Purchasing Power in Mill and Cotton States

DUE to the recent favorable developments in the textile industry, it seems advisable that we analyze this industry to see what effect these new developments are having upon the purchasing power of the nation. The cotton industry has been in the limelight more than any of the other textiles and it still deserves that position. Therefore, this analysis will place most attention on the cotton situation and give only a brief discussion of the other textiles.

As a result of the sharply curtailed domestic consumption and the decline in exports of American cotton during the past year, marketings of the raw staple declined sharply, falling almost as much as did actual production on the farm. However, the Government cotton loan plan aided in maintaining cotton prices at a substantially higher level than prevailed in the preceding year. Thus, although marketings were smaller, the total income of the cotton farmers was sharply increased and merchandise sales in the cotton growing states increased accordingly.

Demand for Raw Cotton Up

The world consumption of American cotton reached its low point for 1934 during September. This low level of consumption was accentuated by the textile strike. From September up to the present time, domestic consumption has increased sharply. In January it amounted to 546,800 bales, as compared with 413,500 bales in December. This increase has brought our adjusted index to 101.1% of the 1928-30 average, which is the highest rate established since May, 1934, and compares with the low of 69.6% reached in September.

The increase in consumption during the past three months has been greater than the movement into sight and consequently the amount of cotton held at mills and warehouses in the United States has declined sharply. Our index of cotton stocks in January was

147.9% of the 1928-30 average. This is the lowest level established by this index since March, 1931. According to recent reports, stocks of finished cotton goods are also relatively low and shipments are holding up well. In view of these conditions, it seems that the relatively high level of consumption now reported will continue during the next several months. Thus the domestic demand for raw cotton will be increased, and will react favorably upon the purchasing power of the Southern states.

Exports Increasing Sharply

As we have pointed out in previous articles in *SALES MANAGEMENT*, approximately 60% of the American grown cotton is consumed in foreign countries. In the December 1 SM, we pointed out how prices of American cotton were being maintained at too high a level relative to the price of foreign cottons, and that, as a result, consumption of foreign cottons was increasing. This situation has recently been improved.

During the past two months the foreign cotton crop estimates have been substantially reduced, as compared with the original estimates earlier in the season. The decrease in the size of the anticipated crop, combined with the heavy consumption of foreign cottons, has caused the price of foreign cotton to increase sharply. At the same time prices of American cotton have declined. Thus the ratio of the price of Indian cotton to the price of American cotton has become favorable. Consequently, exports have increased and current statistics indicate that they will continue to improve during the next few months. Stocks of American cotton held in foreign countries have declined from 149% of the 1928-30 average in July to 87.7% at the close of December. It is obvious, therefore, that if foreign mills are to continue at their current rate of activity, exports from this country will

have to be increased during the immediate future.

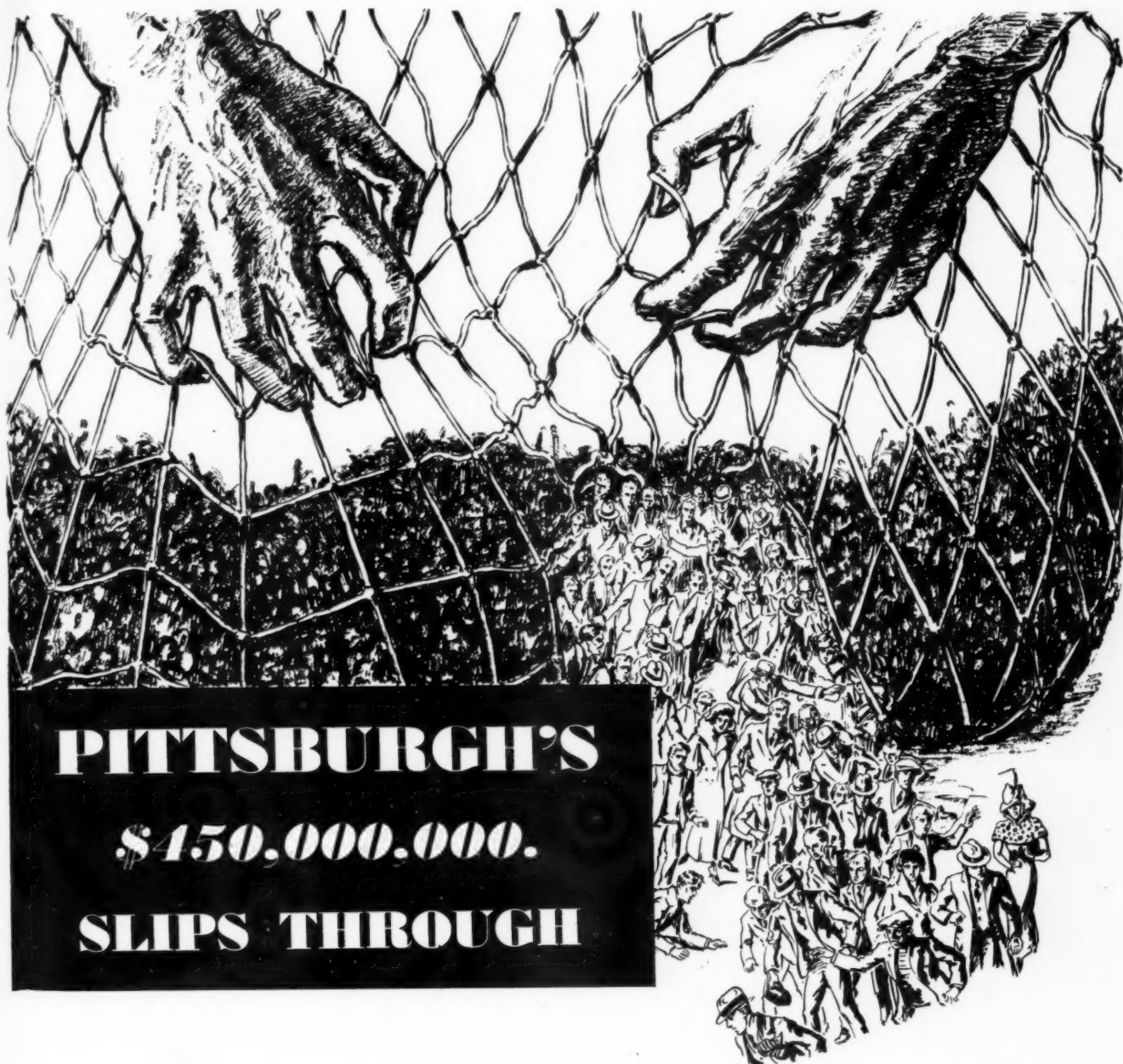
Since the outlook for both domestic and foreign consumption of American cotton is favorable, it seems likely that the movement into sight will be increased and income to the cotton farmer will improve. In view of these conditions, it seems that a more extended follow-up sales campaign for the cotton growing states is advisable. However, one should not expect any extraordinary sales developments in these territories until the latter part of 1935.

As pointed out above, domestic consumption has increased sharply. According to our figures, machinery activity in the cotton industry has increased approximately 45% since September. This has had a favorable effect on employment and payrolls, the importance of which is indicated by the following figures. In the State of North Carolina approximately 13.2% of all gainfully employed persons are employed in textile manufacturing; in South Carolina and Massachusetts, approximately 16%; in Rhode Island, 18.3%; Connecticut, 13.2%. With such a large percentage of the people dependent upon textile activity for their livelihood, this 45% increase in activity obviously is aiding the purchasing power of the above mentioned states. Sales should likewise show improvement.

Wool Prices Should Increase

The improvement in wool manufacturing has been more pronounced than the gains in cotton activity. Wool consumption in September amounted to 23,200,000 pounds, which was only slightly above the depression low. During the last three months of the year, manufacturing operations increased rapidly, rising to the highest level established since July, 1933. Our adjusted index stood at 133.2% of the 1928-30 average in December, as compared with 92.7% in November, 68.8% in October, 51.0% in September, and 78.7% a year ago. The latest figures on inventories show that there is less than a six-weeks' supply of finished woolen goods on hand. Since loom activity has only shown a moderate increase, it is reasonable to assume that finished inventories are still abnormally low.

In view of these conditions, we can expect activity to continue near current levels for several months. Since raw wool stocks in the hands of manufacturers are abnormally low, raw wool purchases will be much heavier during the near future. Thus raw wool prices should increase. The increased manufacturing activity is now having its



PITTSBURGH'S
\$450,000,000.
SLIPS THROUGH

PITTSBURGH'S yearly retail purchases of \$450,000,000 look important. They are.

Yet a market of even greater size slips through every sales-net whose meshes do not include the **NEW YORK EVENING JOURNAL**.

For, in more than 600,000 solid, substantial New York homes the Journal is the preferred newspaper . . . and always has been, year after year, good times or bad.

Without these Journal families, no one can possibly do business in America's largest market with maximum profit.

Their open pocketbooks have meant the whole difference between loss and profit to scores of manufacturers.

NEW YORK  JOURNAL

THE **NECESSARY** NEWSPAPER

NATIONALLY REPRESENTED BY RODNEY E. BOONE ORGANIZATION

MARCH 1, 1935

[277]

beneficial effect upon retail sales in the Middle Atlantic states.

At the present time, the silk industry is operating at approximately 92% of the 1927-28 average, as against 67.9% in September. Stocks of silk, at the close of December, amounted to 109.2% of the 1927-28 average as compared with 139.6% in November and 160.3% in December, 1933. This downward trend in stocks indicates the extent to which the silk industry has improved during the past year.

In addition to the favorable statistics mentioned above, it should be noted that the rayon industry is booked at capacity through to the end of March. Furthermore, rayon prices have increased substantially. As a result, the competitive situation of the silk indus-

try is made more favorable. To indicate the extent to which this improvement has affected purchasing power, the following employment and payroll statistics are helpful: Employment increased from 58.2% in September to 76.3% in December. Payrolls advanced 57% during this same period. Preliminary reports show that this upward trend has continued up to date. The weekly wage rate is the highest since recovery began.

It is obvious that activity in all the textiles has increased sharply. Consequently, the sales prospects in the Boston, New York and Philadelphia Reserve districts are brighter. Those sections producing the raw staples should also reflect some improvement within the next three or four months.

The Government Takes a Stand on Advertising

(Continued from page 260)

tising business. The words "advertising budget" are, apparently, an anathema to the three A's.

However, with emphasis, the government, according to interviews I have had with various officials, is not opposed to advertising. They definitely approve but they do not want the "finger" pointed at them for controlling the press via indirection.

This situation led me into numerous conjectures as to the manner in which these thousands of cooperatives and marketing groups handled their advertising, if they assessed members, who handles assessments, collections, etc.

Robin Hood, of the National Cooperative Council, was particularly helpful in view of his close contact with cooperatives all over the country. He describes them as follows:

1. There are about 10,000 farmers' local cooperative marketing groups in the U. S.

2. Approximately 400 large scale federations of local cooperatives, handling particular groups of commodities, such as oranges, walnuts, raisins, milk, etc., take care of general operation, selling and distribution for these community, crossroads cooperatives.

3. The majority of these large federations function as an individual business, appropriating funds for advertising, and maintaining advertising departments of one to several men.

4. Virtually every one of these local cooperatives and federated groups in action before the AAA came into being. The Government simply has taken over regulation of production and distribution.

The California Fruit Growers Exchange (Sunkist oranges) is a fair example of a powerful cooperative group which has developed into a large national advertiser. Seventy-five per cent of the California growers belong. A "Retain" is taken (proportionately) from every carload of fruit shipped by the Exchange out of the state, covering overhead, advertising, etc.

However, the Pro-Rate Committee of eight members (Cal. Fruit Growers) who regulate and report production and distribution for the AAA do not act, in any sense, under Government supervision as regards advertising. It looks as though the Sunkist group should breed a lot of potential advertisers among the other cooperatives. I am forwarding a list of a few hundred of the largest federated cooperatives. You might want to have it available for your subscribers.

Hawk

SALES MANAGEMENT



The Quotes Have It!

When bales of newspaper clippings show one business magazine quoted far and beyond its competitive publications, you can be sure intense reader interest is pushing up sales curves for the shrewd advertisers who capitalize this outstanding editorial leadership.

MILL & FACTORY

A CONOVER-MAST PUBLICATION

205 E. 42nd St., New York City . . . 333 N. Michigan Ave., Chicago

(B-3104)

[278]

Snapshots

MACY'S department store blurts out the truth with engaging frankness when it advertises a 100-gallon aquarium at \$249.50: "Please allow us two weeks for delivery. We'd need a couple days to begin with, just to get over the shock of selling one." This puts Macy's one up over Gimbel's in that truth-in-advertising rivalry.



Old days not so good.

B. T. BABBITT, INC., makers of Bab-O "bathroom beautifier," are preparing to clean up a nice hunk of the cleanser market. Newspaper space in 150 journals in 90 communities, plus an every-Sunday program on NBC, hammers on the "instant-acting" of Bab-O. John Held, Jr., cartoons depict voluptuous damsels of the 1800's, "Before Bab-O," who had to pay for the "luxury of a tin-tub bath with tub-scrubbing afterwards."

SELBY SHOE COMPANY puts Mrs. Franklin D. Roosevelt on the air in a national CBS hook-up for ten weeks. The program also includes a contest for the best letter from women on "Why I Like the New Slenderized Arch Preserver Shoes." Prizes are first, \$10,000; second, six pairs of shoes every year for life; 53 smaller prizes are offered each week. Selby dealers are using window displays and local newspapers to tie-in with the contest. The company is promoting it in trade journals. Mrs. Roosevelt, or rather one of her charities, receives \$4,000 for each broadcast.

In LOS ANGELES, a Committee of One Hundred proposes "the immediate initiation of \$100,000,000 construction program . . . not merely to insure re-employment . . . but also in the hope that the community as a whole will rise to the challenge and that a campaign of Liberty Loan proportions will make the Federal Housing Administration's loan plan popu-

lar. . . . The launching of this move in Southern California will, if successful, mean the re-introduction of prosperity on a national scale. Let California take the lead!" Committee members, who include leaders in all lines of business, are pledged to make improvements on their own properties; to urge their friends, associates and employes to do likewise and to avail themselves of NHA loans.

BLUE SUNOCO oil peers into the future of aviation and sees the day when "a radio-controlled tank filled with T.N.T. is landed from a giant plane. High in the sky, the plane's radio signals start the tank's motors.

. . . It brushes aside all opposition, reaches the enemy dump—and explodes." Ambulances swung beneath planes bringing quick relief in disasters; motor sledges carried by plane to Polar regions are other predictions in the series of ads portraying the shape of things to come. Naturally, Blue Sunoco's part in these future activities is not overlooked.

RALPH H. CLORE, formerly sales manager of the United States Electrical Tool Company, succeeds F. P. KOHLBRY as sales manager of the Medart Company, St. Louis. Mr. Kohlbry goes to the Machinery and Welder Corporation, Chicago.

WOR NOW 50,000 WATTS

- Ten times the power.
- Widest Tone-Range.
- High-Fidelity Broadcasting.
- Directional Antenna
(Controlled Broadcast Pattern)
- The first planned market coverage.
- More power to you . . . directed power.
More sales power in America's First Market
(Greater New York) and in America's Third
Market (Philadelphia).

» » » »

- ADVERTISING RATES are still on the 5,000 watt basis.

WOR

New York Office: 1440 Broadway — at Times Square
Chicago: W. G. Rambeau, 360 N. Michigan Avenue
Boston: James F. Fay, Statler Building

MARCH 1, 1935

[279]

Old Gold Goes National, Using Magazines, Newspapers, Humor



Even men smokers escape ennui in Old Gold's new humorous series.

P. Lorillard & Company this year spreads its Old Gold cigarette advertising and selling pressure more uniformly over the entire country.

Forsaking its former big-city concentration, it hops back into a long list of national magazines after a year of absence, adds 50% to its newspaper budget, foregoes radio in which it spent \$165,000 last year, and begins its 1935 drive for a better distant fourth than it held during 1934 in the battle of the cigarette giants. (Standard Statistics: Chesterfield, 34.5 billions; Camel, 33.8; Lucky Strike, 33;

Old Gold, far below, 5.5.)

Its sales curve has bent downward since its high of 8 billions in 1929. Standard's figures indicate it levelled off at 5.5 billions in both 1933 and 1934, but H. A. Kent, jointly with W. A. Warch in charge of sales and advertising, tells SM that last year's total actually was a little better than 1933's.

Metropolitan newspapers, which last year got insertions only about once a week, this year get 1,000-line and 210-line ads twice weekly. Insertions in additional papers to reach practically everybody in the land have been scheduled for completer coverage. Magazines in many classifications, particularly fashion, women's and screen groups, are now on the list together with *Saturday Evening Post*, *Time*, *Collier's*, *Liberty* and *American Weekly*.

The bread-and-butter copy of the year will be testimonials by stage and screen stars, cartoonists and other well-knowns; but the presence on the schedule of such papers as *Esquire* and *New Yorker* gave a good excuse for a scintillating series of Petty pictures with humorous copy about situations in which one may escape ennui by reaching for—well, at least *taking* an Old Gold. Most of the drawings show bored but luscious damosels in revealing garb, "Wearied by a wind-bag" or "Ogled by an octogenarian" or "stymied by a stupid," about to light an Old Gold. "At trying times—try a smooth Old Gold" is the base line.

Sound Marketing, 50% Accounting

(Continued from page 251)

cellent" to "extremely poor."

It never seems to occur to many manufacturers to determine why some units in their distributing force are better than others. It is not hard to find out why. It will be found that they are using methods that the others are not using. It is then a simple matter to get the others to use those same methods. Thus the average performance of the whole organization would be improved. That was the secret of the John H. Patterson system of selling. He got all the National Cash salesmen to use the ideas, stunts and methods of the top-notchers.

William A. McDermid, the well-known sales counsel, always puts accountants to work on a job as soon as a new client is secured. Mr. McDermid does not make a single recommendation until his accountants have given

him all obtainable figures on the client's business. He says that time and time again he finds that when a manufacturer runs into trouble in his markets or in his marketing methods, there is nothing more seriously wrong than that he is a little mixed up in his arithmetic or he has grown neglectful of good old-fashioned accountancy as applied to the sales end of his business.

So far I have dwelt entirely on the negative side of the subject. The encouraging thing about it, however, is the fact that cost accounting is such a vital part of sales management that it is becoming more recognized every day. In fact, I know of no sales manager of an outstanding reputation who does not recognize this tendency in marketing practice. Significantly enough, there are scores of sales man-

agers and marketing directors in the United States who have risen from the accountancy field. There are any number of other executives who owe their present positions to their ability to analyze figures. A conspicuous example of such an executive is Isaac Black, general manager of Russell & Irwin Manufacturing Company, makers of builders' hardware. Mr. Black used to represent a Duluth wholesale hardware house in northern Minnesota, calling principally on lumber companies, mining operators, etc. During the Winter he traveled by sleigh and most of the time he bunked for the night in a lumber camp. Despite this inconvenient method of traveling, Mr. Black always carried a portable typewriter with him. In fact, he is supposed to be the first salesman in this country to make a portable typewriter a part of his equipment. Each night he analyzed the day's work arithmetically. He kept a loose-leaf book of every possible statistic pertaining in any way to his business. The fact that he did this was not the only reason which brought Mr. Black into the general managership of this famous New Britain manufacturer, but it at least contributed greatly to his promotion.

Boss Doesn't Work, He Bosses

The point is generally gaining ascendancy that one of the necessary qualifications of an executive is that he know the broad theory under which he is operating. That is why Dr. James Bryant Conant was selected as the president of Harvard University. Dr. Conant is not an especially good educator himself. He is, however, a great administrator and knows how to select professors who are educators. What is more, he knows exactly how to get the most out of a staff of professors.

Football coaches have always been recruited from the ranks of graduates who were great playing stars in college. Practically all great coaches were great players. A new practice is coming into vogue. There are being appointed to important jobs coaches who are not outstanding players themselves but who have a very broad knowledge of the theory and science of football. Frank Thomas, the creator of Dixie Howell and other stars at Alabama, is a coach of this type. At Notre Dame he was just another quarterback. He seldom got into a game. But the great Knute Rockne never turned out a football player who knew the theory of the game better than Thomas. He is proving this in his brilliant record at Alabama.

Cooperative Newspaper Advertising to Back New Jayson Shirt

(Continued from page 263)

Other details of the selling plan include distribution by dealers of a booklet, "The Human Side of the News on the Jayson Shirt," written by Edwin C. Hill, well-known radio commentator. Mailing cards for charge customers and others are furnished at less than cost. A "trick" window display dramatizes the no-wilt feature of the collar by the use of a fish tank full of water, in which two shirts—one standard, old-style starched collar shirt, and the other, the new Jayson shirt—are immersed completely. The old-style collar invariably wilts, while the Jayson shirt stays trim and stiff. (When this display was used by one dealer during the January cold, it had to be removed from the window because it froze!)

Reminiscent of "halitosis" and "scurf" and some of the other high-sounding, medically-flavored words which have crept into advertising lately, is Jayson's discussion, in selling copy, of the effect of high starched collars on the pneumogastric nerve. An Arthur Brisbane editorial on the evils of starched collars is used effectively. (Headline: "When Doctors Say: 'Avoid Starch,' Sometimes they're not talking about something to eat!")

And "Woman Appeal," Too

It was not a typographical error—the listing of *Good Housekeeping* as one of the media to be employed nationally by Jayson shirts—men's shirts. It is reliably estimated that 85% of men's shirts bought in department stores are bought by women. In men's wear stores less accurate figures are available, but it's surely 50% or more.

Any who know a bit about home laundering problems know that women regard the washing and ironing of men's shirts as the *bête noir* of the laundry. Many women will handle all other parts of the washing at home, but send collars and shirts to a commercial laundry. Consequently, the laundering advantages of the Jayson shirt are perhaps of greater appeal to women than any other single selling point.

Jacobson took the new shirt to Good Housekeeping Institute, asked for tests to prove the starchless collar was all it was claimed to be. After infinite washings and ironings there, GH gave its approval. A commercial test in which a shirt was washed 477 times and subjected to a total ironing

pressure of 1,600,000 pounds, further substantiated the designers' story. Visitors at the International Trade Fair at Grand Central Palace looked on with interest while several society girls—presumably not adept at doing any kind of laundry—ran electric irons easily over Jayson shirt collars and turned out wrinkle-less garments in which any man could be suitably dressed for almost any occasion.

Jacobson will be, probably, second only to Cluett, Peabody this year in amount of money expended for shirt advertising. The total will depend upon the extent to which dealers take hold of the 50-50 idea, but may conceivably run up to a quarter million.

Union Bag & Paper Pushes Plan for Coal in Packages

Union Bag & Paper Corporation, New York, launches coal trade journal advertising to promote the packaging of coal in ton lots. Coal companies will be urged to market their fuel in bag containers, 80 to the ton, which can be "popped whole into the fire box." The necessary packaging equipment costs only a few hundred dollars, and the complete ton cost is extremely low, declares W. O. Rogers, Union executive. "Before long," predicts the current ad, "every progressive coal company in the country will be using the Union plan."

IT DARES TO BE DIFFERENT



Point of Difference No. 10

Its COPY REQUIREMENTS are UNUSUAL

The Christian Science Monitor tries to publish only advertising copy that will give its readers messages free from misrepresentation, exaggeration, "fear appeal." This assures Monitor advertisements a degree of reader acceptance and response that is regarded as exceptional by informed advertisers.

THE CHRISTIAN SCIENCE MONITOR

Published by The Christian Science Publishing Society
Boston, Massachusetts

NEW YORK OFFICE—500 FIFTH AVENUE

Other Branch Offices: Chicago, Detroit, St. Louis, Kansas City, San Francisco, Los Angeles, Seattle, Miami, London, Paris, Berlin, Geneva.



AN INTERNATIONAL DAILY NEWSPAPER

Media and Agencies

Sunset's Copy-Testing

Will a given advertisement pull? Will it pull better—or worse—than another piece of copy which reads well to the advertiser and agency executives? Few know in advance, and when they do learn it is by costly trial and error, and the time for action may be lost. Now *Sunset* magazine is getting the answer to both questions (and at a trifling cost) for a group of co-operating national advertisers.

The basic plan and the copy-testing technique were developed by James W. Young, professor of advertising at the University of Chicago, and his associate, James L. Palmer, professor of marketing.



James W. Young

For many years Mr. Young was a J. Walter Thompson partner, and manager of that agency's Chicago office. Mr. Palmer has been a marketing consultant. Both saw wastes in advertising which could, they thought, be eliminated by tests which were comparable in scope and sales conditions to tests made on mail-order and direct mail copy. *Sunset* seemed to be the ideal medium for a tryout of their ideas, and L. W. Lane, *Sunset's* publisher, was quick to see the opportunity to render a service both to himself and the advertising world in general through pioneering with them.

Accurate copy-testing calls for control of four major elements:

1. *The sample must be adequate and representative.* *Sunset's* circulation is 204,000 and while its readers are concentrated on the Pacific Coast, far more than half of the population of the Coast states came from the East or Middle West. The presumption is, therefore, that the reactions of *Sunset* readers, will be representative of national magazine readers.
2. *One message must be tested against another under comparable conditions.* *Sunset* is published in three editions, one going to readers in the Pacific Northwest, another to those in Northern California, and the third for Southern Californians. It is possible, therefore, to test three different pieces of copy each month, with the position and the fronting editorial text the same for each.
3. *The test should be made under actual sales conditions,* which is true, of course, of copy appearing in a magazine, and 4, *it must be possible to measure results.* In the case of *Sunset*, results are measured both through coupon returns and by personal interviews.

The first test copy ran in the April, 1934, issue. Currently nine well-known products are availing themselves of the opportunity. Up to this time the publishers have made no attempt to interest other advertisers in the plan, but now, feeling that the technique has been perfected, and that the experiment has definitely helped the charter sponsors, they are going out to sell it to others.

An advertiser must sign up for a mini-

mum of twelve b. & w. pages per year, for which he pays the standard rate of \$800 a page, and a special service charge of \$200 a month which covers the results-reports gathered by the field staff supervised by Mr. Palmer.

None of the parties involved makes any sweeping claims about the results to date.

For two of these products, inconclusive results have been secured up to the present. For the others, results of the following kinds have been secured:

One advertiser has learned that every time he injects a given element into his copy he secures a marked increase in reading.

A second has learned that, of two ways of leading into his present national magazine story, one creates much more interest than the other.

A third has found that every time he puts his story in a particular illustrative form his reading percentage more than trebles.

On a fourth product there is positive evidence from one cycle of tests that, of two fundamental appeals, one is nearly twice as good as the other. If further tests confirm this, there will have been established a principle of great importance.

On a fifth product there is clear evidence that an older type of copy which built the business has very much more "pull" than a type now being used.

On the sixth there is strong evidence that, as between a "romantic" or "practical" style in telling the sales story, one is very much better than the other.

Check—and Double Check

The advertisers get a prompt check on the pulling power of their several advertisements through the coupon returns, and this is soon supplemented by field reports. A group of 350 subscribers in each of the three sections is chosen each month from the *Sunset* records, and a letter is sent out stating that within a few days an editorial representative will call. This letter helps the Young-Palmer representatives to get interviews when they call armed with the current copy of *Sunset*. Calls start seven days after the issue is in the mails, and the 350 in each territory are completed within a month. First, the interviewer leads the subscriber through the editorial pages and learns what is liked and disliked. Then the subscriber is shown the several advertisements placed by the copy-testing sponsors. All names and identifying trade-marks in these advertisements are masked.

Does the subscriber remember having seen this advertisement? Did she, the housewife, read it? What product does it advertise? Then the interviewer leads the subscriber through each paragraph and finds whether it had been read. When the 350 calls have been completed the tabulators add up the scores, and each page is rated. Twenty-seven per cent, let's say, noticed it; 14% identified it; and each paragraph and other integral part, such as the coupon, is given a rating on the percentage of people who have read it. The advertiser receives a report which shows at a glance the comparative effectiveness of his three pages that month. Sometimes the advertiser has three quite different adver-

tisements, but more frequently the changes are only in headline, or in layout or in wording or position of the coupon, and so forth. The "competition" is between the three advertisements of each advertiser, and not with other advertisers in the magazine. To equalize any possible variations between the three territories, advertisements in the test series are run in cycles, until each advertisement has appeared in each edition and a minimum of 1,000 field interviews have been made.

In this the Young-Palmer technique differs from the "recall" method used by Dr. Starch and others. In the Starch tests the persons interviewed are shown all the larger advertisements in a group of magazines, and the rating of each is determined against an average of all. Objections raised against this method are that it ignores the differences in inherent interest of different propositions, tends to bring the highest rating to the most widely published advertisements, brings distortion of returns because of subjects' self-consciousness in discussing delicate subjects, etc. Professor Palmer feels that these objections do not apply to his method because it rates only individual advertisements on the same proposition.

This "Recognition-Recall Test" does not pretend to measure the sales results of advertisements, and it therefore does not supply the perfect and ideal measuring stick which the direct-by-mail advertiser possesses.

What it does measure with great reliability is the amount of attention and reading which an advertisement secures. In other words, it measures the advertisement writer's success in attracting and holding readers for the proposition, with the space and other means available for him to do so.

Bijur to Columbia

George Bijur, for the past two years director of publicity and sales for L. Bamberger & Company, Newark department



George Bijur

Neatest Promotion Trick

"50 Cigarettes With Our Compliments" is the catch head-line on a current promotion piece mailed last week to 1,500 agencies and advertisers. On the inside of a four-page folder are graphic charts showing the ups and downs of nine women's magazines in 1934 as compared with the previous 15 years. The reader is asked, "Which magazine exceeds the largest number of previous years with its 1934 revenue? When you have discovered the winning magazine, write us at 420 Lexington Ave-

nue, New York City, and tell us where the 'flat 50's' are to be sent. Name your choice of cigarettes—Camels, Chesterfields, Luckies or Old Golds."

THM is the signature on the message and the reader doesn't have to have an Einstein I.Q. to discover from the charts that the reference is to *The Household Magazine*. Mr. L. Crowther, advertising director of *Household*, reports that he received 26 telephone calls within a few hours after the mailing went out.

Boys' and Girls' Newspaper

George J. Hecht, publisher of *Parents'*, brought out on February 24 the first issue of his new affiliated weekly, *The Boys' and Girls' Newspaper*—in sixteen-page tabloid size. The weekly presents the world's news with plenty of photographs and a varied assortment of features for young folks from seven to seventeen. The print order of the first issue was 250,000.

Hartford Sells Modernization

It has long been a popular contention that if home modernization and renovation were sold thoroughly to the American public, people would draw money out of savings and spend it for long-delayed improvements. The Hartford, Connecticut, *Times* is currently proving that the contention is sound.

Cold figures show that in the city of Hartford, home owners spent \$380,652 in the first half of 1934 for modernization projects—and jumped this to \$745,289 in the second half of the year. This figure is more than double the second half of 1933 modernization investments of \$329,114.

The *Times* helped the public and the building trades, and at the same time helped themselves, when they opened their Home Building Institute in their main building. It is a permanent exposition of building materials of many kinds, including various types of brick, tile, plaster, plaster board, floor coverings, rubber tile, wood and slate floors, fireplace units, paint, wall paper, heating units, wood paneling, plumbing fixtures, insulation, hardware, a fully equipped electric kitchen and many other materials and furnishings.

No charge is made for the space occupied. The exhibits are made at the expense of the distributor and he in turn helps promote the Home-Building Institute in the Saturday issue of the *Times*.

In addition to the stream of visitors during the regular day-time hours, the rooms are used both then and during the evening hours for meetings of clubs, study groups,

local retailers, distributors, builders, etc., with meetings varying in attendance from 10 to 200 persons.

Ah, Frustration!

Drop a tear for film press agents agonizing under the restraints of the clean-picture crusade. *Dry Goods Economist*, preparing its February special section on brassieres and such, unsuspectingly cast three producers into despair. It offered them good busts into print for their prettiest girls—with credit to current productions. They had to refuse! And such busts! But they dare not permit their talent even to be photographed in underduddies! What would the purity leaguers have said?



Astonished, the department store magazine turned to the stage. The "Life Begins at 8:40" company was willing. So some of the best lines from that current show were revealed in a special 16-page section called "Foot-light Parade." In it the magazine photographically showed the newest things in foundation garments for Spring. A good many manufacturers bought space in the section—which helped make the February issue about 30 pages heavier than the issue of February, 1934. Hard-hitting *Dry Goods Economist* salesmen saw to that.

Appointments

Market Research Corporation (White and Arnold) announces the appointment of Verneur Edmund Pratt as merchandising and sales consultant, and Dr. Raymond Franzen, psychologist and statistician. . . . E. M. Gildea, formerly with the general staff of *Hearst Newspapers*, is now promotion manager of *Today*. . . . Leslie R. Gage, formerly advertising manager of *College Humor*, is now on the Western staff of *Cosmopolitan*.

WHIO—Latest NBC Affiliate

Former Governor James M. Cox is the owner and operator of the new Dayton station, WHIO, affiliated with the Red Network of NBC, which made its bow on February 9. The station operates on a power of 1,000 watts by day and night.

1934

—what a Swell Year!

TOTAL LINAGE NEWARK NEWSPAPERS NEWARK EVENING NEWS.	
Second paper.....	LINES 13,210,334
†Third paper.....	6,232,575
*Fourth paper.....	4,797,080
	2,859,933

DISPLAY LINAGE NEWARK NEWSPAPERS NEWARK EVENING NEWS.	
Second paper.....	LINES 10,436,087
†Third paper.....	5,522,897
*Fourth paper.....	3,706,186
	2,359,537

CLASSIFIED LINAGE NEWARK NEWSPAPERS NEWARK EVENING NEWS.	
Second paper.....	LINES 2,376,239
†Third paper.....	716,838
*Fourth paper.....	405,701
	207,291
*Includes Rate †Seven days	

NICE things happened in 1934. It was a swell year! The NEWARK EVENING NEWS again published more advertising than any other Newark newspaper. There's no news in that, however; no one seems to remember when the NEWS didn't. Why, the total is almost as much as all the others combined. You must be able to back up a record like that. Authority for the figures, Oh, yes, *Media Records*.

Newark Evening News

The Leading Medium in America
Publishing Week-days Only

O'MARA & ORMSBEE, INC., General
Representatives, New York, Chicago,
Detroit, San Francisco, Los Angeles



A Display Room of the Hartford Times Home-Building Institute

MARCH 1, 1935

[283]

Sales Letters

BY MAXWELL DROKE

Ye Scribe Will Not a Poet Be Nor Yet a Sucker, No, Not He

My life is an open book—with perhaps a few of the pages slightly stuck together. At any rate, in a long and reasonably blameless career, I have never perpetrated a particle of poetry. Not even so little as a sonnet to Spring, nor a lilting lyric to the biological urge which members of the guild term Love.

So it was with some surprise—indeed, it would not be an exaggeration to say amazement—that I received in a recent mail an intimation that the editors of a forthcoming who's who of poetry had looked upon my work and found it good. There was an invitation—a cordial invitation—to submit biographical data for the comprehensive volume. Also, a convenient form which might be used to order the worthy work. I am deeply touched, but not quite to the extent of \$3.75. I have not encountered a more ingenious solicitation since Cousin Diocletian, the Kansas horse doctor, fell for a mug book proposition, and paid \$50 for the privilege of being included amongst "Jackson County's Men of Achievement."



Maxwell Droke

Try a "Third Party" Letter to Galvanize Dilatory Answerers

Mr. W. T. Quimby, sales manager of the Quimby Pump Company, had a problem which is not uncommon among those who market through distributors and agents. Like most sales-minded folk, the Quimby representatives were a bit weak on inter-office correspondence. They simply would not report promptly on pending estimates, and the like. Finally, after many weary and more or less fruitless efforts, Mr. Quimby had the bright idea of, trying out a "third-party" letter. Here 'tis:

"I have heard Mr. W. T. Quimby complain so many times recently over his inability to obtain answers to follow-up letters in the file that I thought I would take advantage of his absence and see if I couldn't turn a trick.

"You probably do not know who I am, as Mr. Quimby's name appears on all the letters. I am the guy who does most of the estimating and if you ever are curious, you will know I am on the job when you see "EFD" in the lower left-hand corner.

"I have a lot of sympathy with Mr. Quimby's problem, and I don't blame him for getting upset when several letters have to be written to find out the development of jobs in the preparation stage.

"I am anxious to get ahead, just as anyone else is in the world, and it would be

Standing Invitation

Mr. Droke is always glad to criticize sales letters and direct mail messages for our subscribers. There is no cost or obligation for this service. Address him in care of SALES MANAGEMENT, enclosing a stamped, addressed envelope.

a swell feather in my cap if I could clean out the follow-up file, and have replies to all the correspondence for Mr. Quimby when he gets back.

"There is a single sheet on every subject on which we want a report attached to this letter, with a brief of the situation. All I ask you to do is make a pencil memorandum of the status of the job on this sheet and send these reports back to us in the attached envelope."

Printer Concocts Co-op Plan That's Good for All Hands

My compliments to an enterprising (though anonymous) printer of Great Bend, Kansas. This printer found, on checking up, that he was not producing the correspondence envelopes used by a considerable number of local tradesmen, and determined, forthwith, to do something about it. That "something" proved to be an ingenious cooperative plan. First, he prepared a "biographical sketch" of Great Bend, in the best Chamber of Commerce manner. This he printed in small type on the face of a standard white 6¾ envelope, occupying a little better than a third of the entire space, with room at the top for the name and address of the individual user. Then, as a further clincher, he divided the space on the back of the envelope into nine squares of equal size, each to carry the advertisement of a local, non-competitive merchant. Thus Powell's Food Market, let us say, in mailing its monthly statements, advertises not only its own establishment, but the city of Great Bend, and eight associates, as well. And Powell's, in turn, is advertised by the others.

Mr. Ralph Bartholomew, manager of the Lynch Drug Company, of Great Bend, and my informant, tells me that the plan has created much favorable comment.

Scat, Ye Pussy-footers! Give 'Em Cold Logic, No Quibbling

This Department, somewhat to my chagrin, does not print *all* of the good sales letters produced by adroit wordworkers. Indeed, upon occasion, one of our other editors steals a march on me, and tucks into an article a sales letter so good that I can only wish I'd seen it first. Such a letter appears in this very issue. If you follow a practically universal custom of reading this department first, you may possibly have overlooked it. I refer to the article, "Turning a Short-Profit Staple Into a Long-Profit Specialty." It's on page 264.

I am especially impressed with the courage this writer has shown in facing his obvious objection and fighting it with logic, instead of trying to dodge or deprecate. A pox on pussy-footers! This business needs more of the Haxton stamp.

Other Firms May Be Careful, But This One Capitalizes on It

There are, I imagine, a number of merchants of American Walnut Lumber and Veneers, who house their wares as carefully as the good firm of Penrod, Jurden & Clark Company. But it remained for Mr. V. L. Clark, of that company, to capitalize the situation. This he did with an ordinary photograph of a typical warehouse stock, reduced to a convenient size for mailing. With the photo went this letter:

"The enclosed, entirely unretouched photograph is worth a moment of study on your part. It shows a section of one of our storage sheds and is more convincing evidence of the splendid care our Walnut is given than many hundreds of words.

"Notice the straightness of the piles, the evenness of the sticks—insuring straight boards and uniform drying.

"Every operation in cutting and storing is carried out with the thought of the ultimate use in mind, and constant care is taken to see that the lumber is not only graded carefully, but that it is right in a hundred little things that no grading system ever covers.

"We believe that these things deserve your consideration when buying Walnut lumber. They add nothing to the cost, but they do add greatly to the value and usefulness of the lumber to you.

"Will you let us figure with you on this superior Walnut, the next time you are in the market?"

Them's Fightin' Words, Suh, If They Weren't So Silly

Although I have spoken rather sharply on the matter once or twice before, it pains me deeply to observe that the Why of the Media goes serenely on. A kindly correspondent sends me a clipping from Mr. Arthur Brisbane's column, "Today."

"A government spokesman urges advertisers to advertise by mail, writing nice 'Dear Mr. Jones' letters, telling what the advertiser has for sale.

"Eugene Meyer, Jr., who owns the Washington Post, says that is wrong, and means government competing with honest, long-suffering newspapers and their advertising profits. He asks, by implication, how can the press be free, if you take away its money.

"That worry is unnecessary. The advertiser who tries to advertise by mail throws money out of the window, and soon finds it out. And advertisers are intelligent."

Mr. Brisbane is a newspaper man, and might logically and rightly be expected to defend the public prints. However, in this outburst, he rises to heights of absurdity, of which I thought him incapable.

Talking Points

MORTON's salt steps forth in a blue and yellow package that is "exclusive, thus making it practically impossible for you to be given a substitute. . . . Only Morton's has . . . a securely hinged spout that won't tear out. . . . Package that really fits the hand." Arthur S. Allen designed it.

BAUER & BLACK are turning on the advertising heat for "Thermat" heat pad "that needs no hot water, no electricity. Simply add two tablespoons of cold water. Costs about 1/3 cent per hour. Heat lasts 8-10 hours." Which should be glad tidings for the millions of families that lack electricity but do have cold feet and earache.

E. H. SCOTT RADIO LABORATORIES, Chicago, offers for discriminating persons who wish to listen to the whole world a custom-built radio whose "reproduction can be told from actuality only by delicate instruments that register sounds not detectable to the human ear." The set carries a guarantee that it will "receive more stations . . . have greater selectivity and sensitivity—finer tone—than any other radio with which it may be compared during a thirty-day trial" or money back. Is that a red flag to Philco, RCA, et al?

SANKERCHIEF is the name of a paper handkerchief introduced by Tissue Brands, Inc., New York. It's "impregnated with an amazing therapeutic vapor, made from an exclusive formula . . . including menthol. Affords instant relief to sufferers from colds or hay fever."

A & P coffees, at three prices, have long been the largest selling brands in America, or so the chain has boasted. Lest the idea get around that only hoi polloi sip its brown beverages, A & P proclaim that "in the wealthiest homes . . . on Park Avenue, at Newport, Palm Beach, Bar Harbor, Santa Barbara . . . people who can afford the finest in everything they buy" insist on A & P coffee. The illustration shows a group of utterly utter Park Avenuers served by Jeeves in the drawing room.

U. S. PLAYING CARD COMPANY endeavors to wean some of the bridge-fiends away to pinochle. P. Hal Sims, contract authority, Ethel Barrymore and other celebrities endorse the game in newspaper announcements; and tournaments are being held in 15 cities. The winners will meet in a national contest in New York March 11-18. Copy theme is contained in Mr. Sims' testimonial, "Pinochle is an ideal game to

alternate with bridge. . . . Important strategy I use in contract was learned playing pinochle."

"There's a new biological ingredient in HELENA RUBINSTEIN's lipsticks," declares that famous cosmetician who is Doing Her Bit to bolster the declining curve of the birth rate.

ITALIAN LINE artfully selects a week when New York is hub-deep in snow and glare ice to inquire, "How mild is the Southern route to Europe?"; and then proceeds to compare temperatures on Broadway and on its liners three days out. Naturally, Manhattan comes off a bad second, and so, by implication, does the Northern route.

HYGRADE FOOD PRODUCTS identifies its frankfurters "by the yellow Hygrade band on every other link." Just so you won't confuse them with banded cigars, they are further described as "all-beef. . . . Mystery-free. . . . Entirely of fresh Government-inspected beef zestfully seasoned."

UNITED GAS IMPROVEMENT COMPANY is mightily worried these days, as are all other utilities, about what new taxes or restrictive laws the Federal Government may slap on them. Therefore, UGI is starting to build up

favorable public opinion. Under a picture of Uncle Sam looking at a widow and her children UGI cautions "Think it over, Uncle Sam." . . . Almost 3,000,000 shares of "this company's preferred and common stocks are owned by fiduciaries, in trust for the benefit of . . . insurance companies, educational and charitable organizations, religious and fraternal organizations, trustees and guardians. In addition, some 100,000 stockholders—approximately 50% of them women—have invested their savings directly in the company. . . . Many of them are dependent on the dividends for support. "So are the law-makers warned that any clamping down on the utilities will be reflected in pinched investors—who are also voters. That's talking up your side before trouble breaks.

GREYHOUND bus lines are not staying mum while the railroads do all the crowing over air conditioning. "Greyhound's controlled Tropic-Aire system of dual hot-water heaters keeps the temperature right and the air clean." Moreover, "actual statistics prove Greyhound buses seven times safer than private car travel. . . . It compares more than favorably with any method of transportation."

THE COLOR CURE
FOR SICK SALES LETTERS

OUR SALES LETTER RETURNS ARE JUST A HEADACHE!!

I'M DR. CASLON BOND—LOOKS LIKE YOU NEED MY COLOR CURE

MY TWELVE PEPPER COLORS GET MORE ATTENTION

THEY'RE BRIGHTER!—POP RIGHT OUT OF THE MAIL AND GET FIRST READING

MIX UP THE TWELVE—PUT EVERY SALES LETTER ON A DIFFERENT COLOR

EXPERIMENT A LITTLE! TRY A CHERRY COLOR LETTERHEAD WITH A GRAY ENVELOPE

BUT BE SURE IT'S WATER-MARKED CASLON BOND

AFTER YOU TRY THIS—SEND FOR OUR FOLDER WHICH GIVES THE PULLING POWER OF PAPER COLORS

CASLON BOND
ORDER THIS MARK AND SAVE MONEY

SEND FOR "COLOR-TEST" FOLDER

"Paper Colors Increase Direct-Mail Results" gives the percentage of returns from sales letters on various colors of bond paper, as shown by one test campaign. For a free copy of this folder and "The Story of How Caslon Bond is Made", ask your printer or send coupon to The Munising Paper Company, 1022 Wrigley Building North, Chicago, Illinois.

Name _____ Position _____

Company _____

Name of your printer _____

(PLEASE ATTACH YOUR BUSINESS LETTERHEAD)

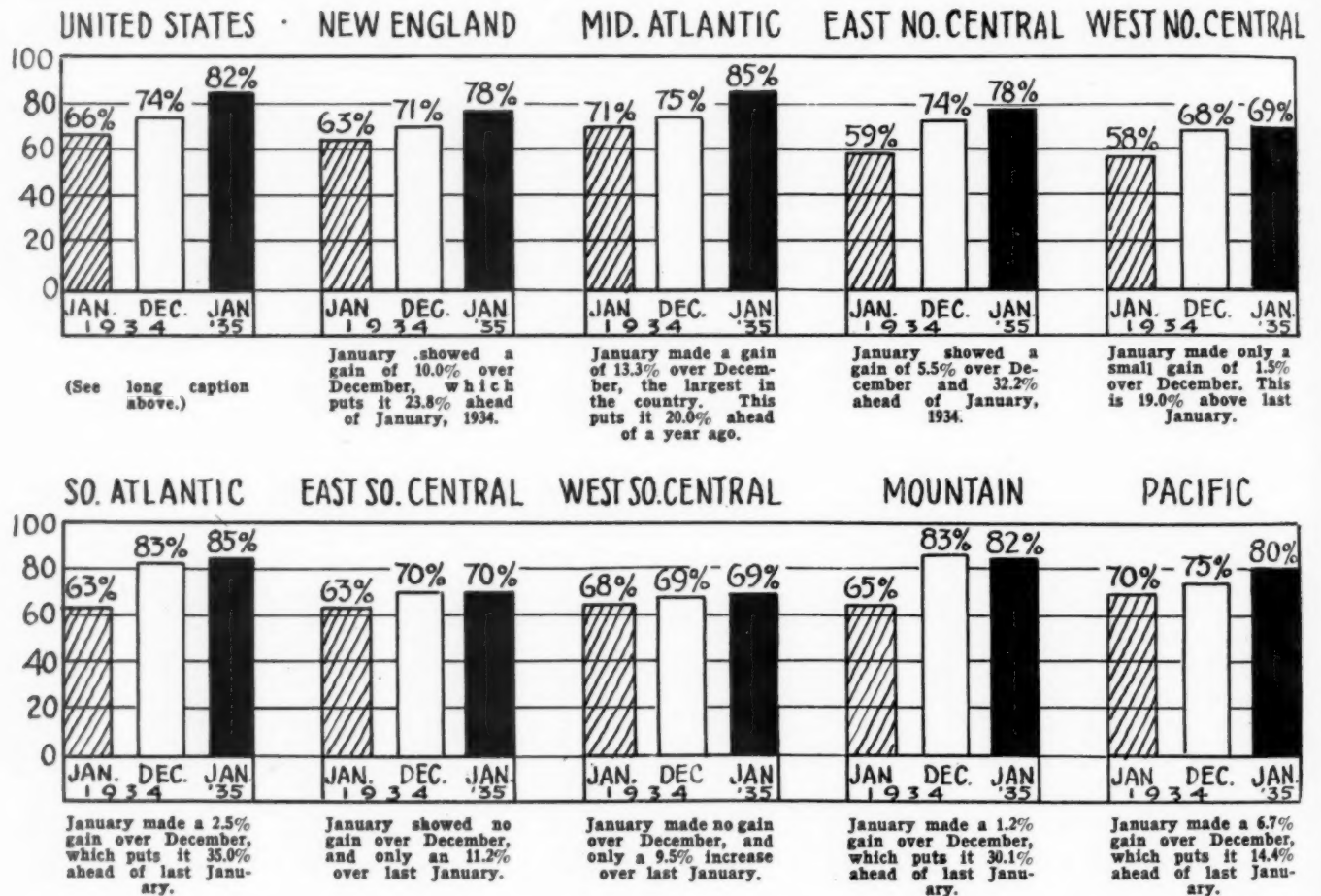
Sales Management's Sectional Index of General Business

(By Geographical Census Divisions. Monthly Average 1923-25 = 100)

BY RAY B. PRESCOTT

(The state of business expressed in terms of percentage approach toward the "normal" average of the years 1923-1925. The horizontal bar represents normal. The designation of districts follows the standard breakdown used by the Bureau of Census. The index numbers used, as determined by Ray B. Prescott, are a weighted composite of bank debits and retail sales.)

UNITED STATES: General business made a gain of 10.7% in January over December. This is 24.3% above January of a year ago. The eastern and industrial sections along with the Pacific Coast showed gains from 5.5% to 13.3% over December. The farm sections made small gains or broke even. It would not be at all surprising, now that the Gold Decision has been rendered, to see further advances in business generally.



Staple into Specialty, at a Profit

(Continued from page 264)

the Cellophane line, and double hand-picked and polished. The cost is high. It has to be. The bags cost \$13.61 per thousand. Shipping cartons (24 one-pound bags to a carton) cost 7 cents. The beans cost more than standard quality. Double polishing and picking are expensive. Packing takes labor. And we pay the freight.

But, because it is so attractive to the consumer, and she is the one who decides, the Cellophane line sells fast and repeats promptly. Proof? Reorders that we get every day from jobbers who have stocked the line. Business coming to us unsolicited from wholesale grocers who have heard of results in other territories. Frequent demands for the full line under private brands, after satisfactory experience with it

under the Haxton brand. Good sales where conditions are worse, since beans, peas and lentils are economical foods, and, in Cellophane, look tempting.

A Philadelphia cooperative put the Cellophane line in 25 stores, as a test. In one month these stores sold nearly three times as many beans, peas and lentils as they sold in the previous month, because the grocers put the Cellophane bags where consumers could see them, and the women saw, admired, and bought. They bought more Jumbo Marrows in Cellophane at 1 pound for 12 cents than they bought of Pea Beans in bulk at 3 pounds for 10 cents. They don't say the price is too high. They buy. The grocers repeat.

The best sellers are (1) Jumbo Marrows; (2) Limas; (3) Green Split Peas; (4)

Lentils, with Red Kidney Beans popular in many sections. The average grocer takes three or more kinds. For a trial assortment (minimum 50 cases for freight prepayment), please return the enclosed post card promptly.

Yours very truly,
GEO. W. HAXTON & SON, INC.

This letter contains a paragraph that most advertising men would say was bad—the paragraph dwelling on the high cost. But this was a condition that must be faced, and the straighter it was faced, the better.

The post card accompanying the letter was an order form, on which the wholesale grocer could specify the quantities of each kind that he wanted. Most orders were for the minimum of 50 cases, but reorders were frequent and, as a result of the initial activity, one jobber arranged to have

50,000 pounds packed under his private brand, and several other jobbers arranged to use their own labels on the bags.

The only follow-up on the original mailings was in the form of post cards, the first of which was as follows:

Because we are by far the largest shippers of beans in New York State we naturally are interested in anything that will increase the consumption of beans.

The packaging and display of beans in Cellophane does increase their sale—remarkably. "Goods well displayed are half sold," and Haxton beans, peas and lentils in red and blue Cellophane bags make a wonderful appearance in the retail store.

Let us send you a trial shipment of 50 cases, assorted. Prices quoted you December 00 are unchanged.

GEO. W. HAXTON & SON, INC.

A week later the jobbers were given the following information:

Kane, Pennsylvania, is a city of 6,232 population. A wholesale grocer there sold 200 cases of Haxton beans, peas and lentils in Cellophane packages in less than four weeks. Nearly every grocer bought the full line.

Retail grocers like the Cellophane line because they have no bags to buy, no loss in weighing, no work, and sell more goods at a better margin.

Lentils, packed 24 one-pound Cellophane bags in a carton, are selling particularly well just now in many sections.

GEO. W. HAXTON & SON, INC.

This was followed the third week by a post card as follows:

A wholesale grocer tells us that one of his salesmen put in his pocket the one-pound sample of Jumbo Marrow beans that we sent to him recently, showed it to his customers, and sold 50 cases the first day. Most grocers bought Jumbo Marrow beans, lima beans, and green split peas, in the Haxton Cellophane packages, packed 24 one-pound bags to a case.

Beans in paper bags or in Cellophane-front cartons do not move fast. Beans, etc., in our Cellophane line do move fast. Practically every wholesale grocer who has stocked the line has reordered within 30 days . . . and repeat orders are large.

Are you interested?

GEO. W. HAXTON & SON, INC.

Results, as described by W. R. Walls, in charge of this department of the Haxton business, were "fully up to expectations." Jobbers in many sections—and thousands of retail grocers—now are selling beans, etc., in one-pound bags and selling more beans than ever before.

Publicity Campaign for Wool

The wool industry, worried by a long-time slump in its volume, and plagued by business-building campaigns of cotton and silk, is advancing plans for its own general promotional drive. Associated Wool Industries, headed by Arthur Besse, president of the National Association of Wool Manufacturers, has lined up a large number of member companies, pro rated the cost of a publicity campaign among them and has hired United Advertising Agency, New York, to tell the world about wool. Chairman Besse tells SM there is no display space to be bought by the industry as a whole but that divisional campaigns may use some next Fall.

MARCH 1, 1935

HOW TO LOSE \$25,000 you haven't got

MANY MEN realize too late that a fortune they never saw, never touched, has slipped through their fingers.

With a *little* more knowledge, a *little* more effort, they could have earned \$1,000 or \$1,500 more a year. Not until their chance has passed do they realize what a staggering total they have lost.

For, if you are worth \$5,000 a year but make only \$4,500, you will have lost \$10,000 in 20 years. If you are worth \$5,000 but make only \$3,500, you will have lost \$30,000 in 20 years. The same relative figures hold true whether your present salary is \$2,500 or \$7,500 a year.

The purpose of this message is to show you how you can save that substantial sum.

Any man capable of making even \$2,500 annually during these times can, with effort and study, be worth \$1,000 or \$1,500 more. A \$5,000 man is not twice as intelligent as a \$2,500 man. He only has to know a *little* more to earn a *lot* more.

Where can a man get that little extra knowledge that may be worth \$25,000 to him?

The Alexander Hamilton Institute, over a period of more than a

quarter of a century, has investigated thousands of businesses—corporations, partnerships, proprietorships, large and small, in all lines of business. It has taken the experience of a cross section of the country's leading business men. It has collected and boiled down this information into convenient form. It has brought it up to date with 1935 conditions, and now presents it to you in a simple, planned practical Course of interesting reading.

This Course, and the important Personal Service that is part of it, does not guarantee you a job. But it provides you with the foundation necessary for you to win a higher salaried position in the years of recovery just ahead. If you have the "goods," this Course will enable you to deliver.

A booklet, "What a Business Man Must Know Today," is ready and will be sent to you free of charge. If you think a 3c stamp is not too much to pay for *finding out* how you may save \$25,000, clip this coupon and mail it. The booklet itself contains valuable, interesting details about this famous Course and its Personal Service, to which many thousands of men attribute their success.



Alexander Hamilton Institute
813 Astor Place, New York

Send me "What a Business Man Must Know Today" FREE

Name..... PRINT HERE

Business Address.....

Business Position..... Age.....

ALEXANDER HAMILTON INSTITUTE

The Postman Whistles

Claims Dealer's Letters Hurt Dailies

The article "This Advertiser Claims Reps Un-sold Him on Newspaper Advertising" stimulated considerable discussion and letters. The advertising director of an important Mid-West newspaper is sympathetic with the problems of the advertiser, but offers a guaranteed antidote to meaningless letters from dealers:

THE article on page 226 of the February 15 SM is an excellent one. The advertiser was absolutely right in leaving newspapers when newspapers started to disorganize his agencies of distribution. A manufacturer has enough tangles to disentangle during the course of a year without a group of newspapers stirring up distributors and dealers. Why any newspaper tries to get dealers or distributors to help sell its space is difficult to understand, but why a dealer or distributor falls for the trick is beyond understanding. The practice is as nasty as it is prevalent. When individual newspapers stop it, newspaper advertising as a whole will increase beyond the wildest dreams of the "me too" space salesman.

Without trying to say how important these letters and wires from dealers and distributors were to the manufacturer, we would like to suggest that not one communication was sent in voluntarily; that not one dealer or distributor of his own volition told the manufacturer that he should use the *Daily Alsoran* too. So many dealers and distributors listen to the tear-stained story of the space salesman, and either write a letter or give the salesman permission to sign his name to a wire. The letter or permission is given thoughtlessly in most cases and, sad to say, in others for the purpose of getting rid of the salesman.

Properly analyzed, most requests to change newspapers or add newspapers coming from dealers or distributors are meaningless. The antidote for this racket is a form letter that the choice of newspapers is the responsibility of the advertising agency and the request has been sent to the agency with instructions to investigate.

Another good remedy which we have used to advantage is to give these letter-writing distributors a bellyful of letter writing. When we have found particularly bad ones who have written in to recommend the other paper, we have gone to the pest and had him write or wire in another recommendation cancelling the first. In one such instance, a distributor sent six telegrams to his manufacturer, all relative to the placing of one schedule. When he complained of the treatment and saw how silly his recommendations really were, he reformed and promised to let the agency place the business. They can be cured.

Thanks for Them Kind Words

I WANT to congratulate you on the February 15th issue of "Sales Management." In my humble opinion, it completely fulfills its function as a magazine intended to be read by one interested in sales management.

Continue along these lines, and I think you will be able to build up an even larger circulation.

Congratulations, and more power to you.

WALTER R. MOHR, Sales Manager,
Jacob Ruppert Brewery,
New York City.

Low-Priced Planes Still Far Off?

IT is not our belief that airplanes to sell for \$1,000 or less will be made in any volume in 1935 or 1936—even under greatly improved general business conditions, which we do sincerely believe would be reflected very promptly in increased purchases of airplanes for private use. It is our opinion, and we believe you will find it reflected by other active aircraft manufacturers, that between 1,000 and 2,000 units would have to be sold a year to justify profitable manufacturing of any sort of an airplane that would be at all satisfactory, even for the most limited private use, at a list price of \$1,000 or less.

Unfortunately, a low-priced airplane cannot well be compared on an equal basis with a low-priced automobile, as it cannot be expected to give the same performance comparatively that is offered by the low-priced automobile. This statement, of course, is made on the basis of our present limitations and knowledge and on the general possibilities of the present type of airplane

design including autogiros. The only way in which we could hope to equal the automobile picture by furnishing a completely satisfactory airplane that would have the same speed possibilities, the same performance possibilities, and the same comfort as the high-priced airplane would be in a vastly increased market; and I do not believe that anyone in the industry nor any enlightened student of the industry has any feeling that the airplane will for many, many years, if ever, duplicate automobile production from a volume standpoint; or that the airplane can ever hope to become a successful competitor of the automobile in every field. Consequently, we feel it is reasonable to assume that prices cannot be expected to equal automobile prices in the lower bracket.

Assuming that a suitable two-place enclosed airplane comparatively easy to handle and capable of cruising at 100 to 125 miles an hour could be produced for \$1,000, I believe it is reasonable to assume that 1,000 such airplanes might be built. However, with the present limitations of the art it is extremely doubtful if any manufacturer in the United States could offer the desirable characteristics in an airplane at the \$1,000 price, even assuming that he could be assured that he would be allowed to manufacture it exclusively; and that the number of units that could be absorbed by the industry in the first and the second year would not be divided among five or ten manufacturers with a consequent reduction in individual manufacturing volume and increase in cost.

The question as to the market possibilities for such an airplane as the one now under development for the Government by the Hammond people would be extremely difficult to answer intelligently until the airplane was actually developed and performance figures and characteristics definitely determined. However, I cannot help directing attention to the fact that when the Government originally proposed their helping scheme for the industry they presented for consideration of flyers and other interested prospective buyers an airplane with certain definite characteristics to sell for \$750. . . .

It should also be noted that no manufacturer came forward with an airplane to meet the ideals set forth. Eventually the performance characteristics in practically their original form were presented to the manufacturers generally for competitive bids and the successful designer bid on 20 of them, a unit price of approximately \$3,000—of course, a long way from a list or retail price of \$750. Naturally if the 20 airplanes which are to be built for the Department of Commerce prove successful, the airplane will be offered to the general public. It is also to be assumed that a portion of the \$3,000 per unit is to pay for engineering development work, and that the airplane might possibly be offered at a retail price of from \$2,000 to \$3,000. . . .

H. R. PERRY, Sales Manager,
The Waco Aircraft Company,
Troy, New York.

Applause for a "Little Guy"

WHEN I read the story about the "Ty-Eze" man in your February 1 issue under the department head "The Human Side," my first impulse was to write and congratulate you on including so human a story in the book—so here's the letter. Just between us, it's a great treat to me to see a "little guy" like that get such a break as the one you've given him. Sometimes it seems as if all the news and experience that merits published attention is monopolized by just a small circle of people—year in and year out. I hope that Mr. Hurlburt benefits from the publicity . . .

W. R. E. BAXTER,
McGraw-Hill Company,
New York City.

We Stand Corrected

ON the cover of your very interesting February 15 issue you have a photograph of Amelia Earhart and under it the caption says that "she has never officially been on the air for a sponsor." This is incorrect. Miss Earhart appeared as guest explorer on the American-Bosch Radio Explorers Club program September 30, 1934, on WJZ and a coast-to-coast hook-up.

DEWEY PINSKER, President,
E. T. Howard Company, Inc.,
New York City.

SALES MANAGEMENT

GE Graduates First Trained Crew of Air Conditioning Men

(Continued from page 253)

The physiology of air conditioning
Product design
Actual product operation
Product application
Methods of reducing installation cost
Special sales features
Actual field problems
Preparation of proposals
The use of advertising
Contacts with prospects
Competitive equipment

The school faculty included myself as president, Harrington as manager, D. W. McLenegan, assistant engineer, commercial engineering division, as assistant manager, E. B. McClelland, sales manager of central district air conditioning department, assistant manager, with a secretary and equipment, recreation and quarters managers. The teachers were divided into sales engineering lecturers, who were composed of our own sales engineering executives, special lecturers, mostly successful salesmen, instructors and assistant instructors.

Lectures by Experts

Our guest speakers, who were heard either during class hours or at dinner meetings, included some of our dealers, as C. M. Schwerin, president of the Schwerin Air Conditioning Company of New York; D. L. Sutherland, of the Sutherland Air Conditioning Company of Minneapolis, and P. O. Eisenbeis, president of the Midwest Air Conditioning Company of St. Louis. Some of the speakers came from among our own officials, including T. K. Quinn, vice-president in charge of appliance sales for General Electric; W. W. Trench, secretary of the General Electric Company; C. H. Lang, manager of the Publicity Department; Dr. W. W. Coolidge, director of the General Electric Research Laboratory, and R. C. Muir, vice-president in charge of engineering. The third group of speakers included such well-known outsiders as Bruce Barton and Dr. Dixon Ryan Fox, president of Union College.

It may be of interest to tell something about the men. All of them were salesmen. There were very few exceptionally young men, a surprising number of fine looking, intelligent, middle aged men and the average age of the student body could safely be placed at between 30 and 35. Most of the men were married, many with families and the majority, naturally

enough, had good sales records. Over 90% had college training, with more than 80% possessing engineering degrees.

Application blanks showed that before coming with General Electric their occupations had been varied. One had been a banker, many had sold oil burners and electrical appliances, some had been in business for themselves.

A man whom I will call John Jones is a typical example. He is 42, married and has two children. He lives in an apartment house in a medium-sized city, has an automobile, carries insurance and plans to send his chil-

dren to college. He had a smattering of mathematics and several engineering courses in college and before 1929 he was *selling roofing*.

In 1930 he found himself out of work, and his scheme of life considerably upset. He obtained a job selling oil burners and made out well enough until 1933, when he joined General Electric air conditioning as a salesman. For three months he sold nothing. His sales manager tried to help him in every way possible, but things looked discouraging. Finally he found a prospect, closed the deal, and from that time on he has increased his sales until last year he made more than \$5,000

67% EXCLUSIVE

67 per cent of the display advertisers in
INDIA RUBBER WORLD

use this paper *exclusively* throughout the year.

This means that those advertisers know from experience the economy of covering the great *billion dollar* rubber market in the United States, Canada, and 40 foreign countries with *one appropriation* in the dominating medium.

These facts are worth considering in planning your advertising budget for the rubber industry in 1935.

Market data, rates, sample copies on request.

DOMINANT
PUBLICATION
OF A
BILLION
DOLLAR
MARKET

INDIA RUBBER WORLD

420 LEXINGTON AVENUE
NEW YORK, NEW YORK



The Hotel Montclair, located in the heart of the fashionable Park Avenue area . . . is just a step from Rockefeller Center . . . and the entire Grand Central Zone, modern business center of New York. 800 sunny, outside rooms. Every room with bath, shower and radio.

Adjacent to Grand Central Terminal and B. & O. Bus Terminal . . . only a few minutes from Pennsylvania Station.

SINGLE ROOMS
From \$2.50 to
\$5.00 per day.
WEEKLY from \$15

DOUBLE ROOMS
From \$3.50 to
\$6.00 per day.
WEEKLY from \$21

Two Floors of Banquet and Meeting Facilities, Ideal for Small Conventions

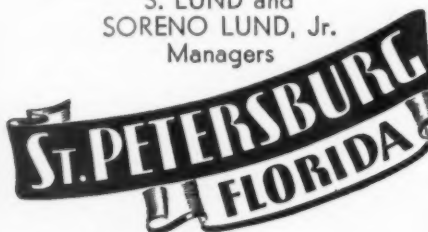
HOTEL MONTCLAIR

Lexington Ave., 49th to 50th Sts., N. Y. C.



YOU will enjoy a vacation at the Soreno Hotel, on beautiful Tampa Bay. Convenient to all sport and entertainment. Finest cuisine. Delightful social life. 310 rooms. American plan. Considerate rates. Booklet on request.

S. LUND and
SORENO LUND, Jr.
Managers



in commissions on his installations.

John Jones is a member of the air conditioning Climateers Club, composed of the organization's crack salesmen, and for the past two years he has gone to Bermuda with the Club as a reward for his sales efforts.

The age of the men, their responsibilities at home and their desire to better themselves are the best reasons why they took the school seriously.

The average day was a strenuous one, starting at 7 o'clock with reveille. Breakfast was served at 7:30 and at 8:30 the four-hour morning session of lectures and classroom work started. After an hour for lunch, there were more classes until 5, when an hour and a half was allowed for recreation. The men assembled again at 6:30 for dinner in the hotel, which was usually followed by talks from important visitors. Study hall and special review sessions were held from 8 until 10:30 when the day officially closed, although most of the students spent from two to three additional hours in preparation for the next day's work.

Not All Work, Play Too

Arrangements were made for many kinds of recreation. The men had the use of the Schenectady Y. M. C. A. for swimming and there were also facilities for basketball, bowling, boxing and other sports. One week-end the entire school was taken by special train on a skiing trip in the Adirondacks. There were dances on Saturday nights, and on several Sundays ice skating parties were arranged.

In addition to the regular classroom work, there were several field trips notably one to Mount Holyoke College where the men had an opportunity to see the air conditioning and oil furnace installations recently made.

In reviewing the first session of our Air Conditioning Institute we feel that the dealers' selection of men to attend the school was correct in every way. We were impressed with the seriousness with which they worked, and we are confident that those 225 men have learned enough about the selling and engineering of air conditioning to give them a lead in the 1935 field that will be valuable and profitable to us and to themselves.

I have no doubt but they will be able to impart their own enthusiasm to other salesmen in their dealerships who did not attend the school, and in so doing to strengthen our entire sales organization and to build up a waiting list for our next school. The results in sales are yet to come, but I have no doubt they will show an increase over 1934 that will make other sessions of the General Electric Air Conditioning Institute inevitable.

Qualitee Dairy Gives Away Pennies, Gains 1,200 New Customers

Qualitee Dairy Products Company, San Diego, gained 1,200 customers for its vitamin-D milk by use of a "teaser" billboard and newspaper campaign and by distributing shining pennies.

Billboards in fifteen strategic locations carried this interest-piquing message for ten days: "The biggest thing a penny ever bought!" Except for a huge penny surrounded by question marks and the acceptance seal of the American Medical Association, the outdoor advertisements contained nothing more. Two-column five-inch newspaper ads conveyed the same enigmatic message, and there was much speculation expressed as to its meaning throughout the city.

Ten days later 4,300 Qualitee milk users found a card and a bright new penny attached to the bottle of milk on their doorsteps. The card carried only the words: "To get the biggest thing a penny ever bought leave this extra penny in your Qualitee milk bottle tomorrow. Approved by leading physicians and dentists everywhere!"

On the following morning deliverymen found a penny in 2,634 bottles, and left that many bottles of the new Vitamin-D milk. On each bottle neck was an envelope-type hanger. These announced on the outside:

"Here is the biggest thing a penny ever bought! Only a penny a quart more than regular milk. Qualitee Irradiated Vitamin-D milk. Note: Please read the booklet inside the envelope thoroughly. It contains valuable information that can materially affect your family's health." The booklet contained health hints and stressed the value of vitamin-D in the food of adults and children.

Simultaneously, the billboards were changed to tell the secret of "the biggest thing a penny ever bought." The picture of the penny was supplemented by a picture of a bottle of irradiated milk, plus the same A.M.A. seal of acceptance. Newspaper ads, tripled in size, gave all the information in the booklet attached to the morning's milk bottles.

Approximately 1,200 permanent new customers were secured by Qualitee as the result of this campaign. This was more than 25% of the families to whom the pennies had been distributed. Douglas Young, vice-president and general manager of the company, believes the unusual "teaser" stunt launched the new product in the shortest possible time.

SALES MANAGEMENT



Booklets reviewed below are free unless otherwise specified, and available either through this office or direct from the publishers. In addressing this office, please use a separate letterhead for each booklet requested, to facilitate handling. The address is SALES MANAGEMENT Readers' Service Bureau, 420 Lexington Avenue, New York, N. Y.

Surveys for which a charge is made are so indicated. Requests for these, accompanied by the purchase price, should be mailed direct to the publishers.

Analysis of Five Canadian Markets Puts Toronto First

Upward of \$1,500,000,000 of American capital already has been invested in Canadian industry and more is constantly being added, largely by United States manufacturers operating subsidiaries or acquiring interests in similar concerns in Canada, according to the Toronto Industrial Commission. In consequence, and to serve as an authentic guide, the Commission has published a book, "The Canadian Market," containing data from official sources, compiled in brief form for the information of American manufacturers, merchandisers, and others. The book is said to be the first of its kind ever produced in the Dominion. Illustrated with colored maps and charts, the study shows population and buying, retail sales and buying habits for the five market zones of Canada, with comparisons not unfavorable for Toronto's Ontario zone. Organizations selling in the Canadian market, agencies advising on Canadian sales and advertising campaigns, will find factual information of real value in this study. Copies available through H. B. Keenleyside, General Manager, Toronto Industrial Commission, Canada Permanent Building, Toronto.

How to Plan a Sales Film Outlined in New Booklet

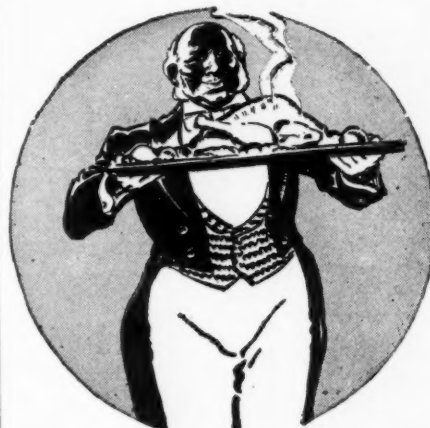
Much has been said in the editorial columns of SM as to the unique part which a sales film may play in a well-rounded merchandising program, and the importance of correctly evaluating the many factors entering into the construction of an effective

film. A booklet entitled *The New Medium* has recently been published, which, written from the point of view and with the experience of a leading producer of industrial films, hits this same nail squarely on the head. Excellent sections cover "methods of circulation," "choosing the producer," "actual production" and "what does a motion picture cost?" Brief, easily digested, the booklet is one that should be in the hands of the interested individuals in any manufacturing concern that is considering making a film, or is perhaps dissatisfied with one made more or less recently. Write W. A. Bach, President, Audio Productions, 250 West 57th Street, New York City.

Ad-Power Shown in *Literary Digest* Automotive Study

An investigation that should appeal especially to sales executives, detailing as it does the sales power of a specific consumer advertising campaign, has recently been published by the *Literary Digest*. It is entitled *Get Busy, Detroit*. In the Spring of 1934, the Conoco Travel Bureau (Continental Oil Company) engaged the *Digest* and several other publications to carry out a campaign with well-defined objectives, susceptible of checking tangible results. Inquiries were solicited in the ads from persons contemplating trips by motor. To those inquiring, travel routes were provided, together with windshield stickers and passports insuring preferred service from Conoco Service Station attendants. Six months later the *Literary Digest*, in conjunction with the Conoco Travel Bureau, engaged an impartial agency to survey these persons and determine how many had availed themselves of the Conoco services and products. From this survey come figures showing the amount of gas, oil (new and old users), traceable to this campaign. Other information brought out includes the mileage registered, makes and age of cars used, and makes of tires. The study, available to manufacturers and agencies, will be interesting not only to those in the auto-

motive field, but to others as a factual study of a well coordinated sales-advertising program. Copies may be secured from Wm. J. Ryan, the *Literary Digest*, 354 Fourth Avenue, New York City.



The Warmth Of Our Welcome is unbounded—old-fashioned, home-like hospitality—delightfully furnished sunny outside rooms, each with bath. Plus the convenience—every worthwhile activity in New York at your door—the shops and department stores, the theatres and great movie palaces; near the subways, railroads and ferries—a bus terminal in the building. Daily rates: Single \$2.50-\$4; Double \$3.50-\$5.

OUR RESTAURANT

is justly popular for its meals prepared in true Southern style by women cooks. Breakfast 25c, Luncheon from 50c-65c, Dinner 85c-\$1.25.

HOTEL DIXIE
42nd-43rd STS., JUST WEST OF B'WAY
NEW YORK

Personal Service and Supplies

Classified Rates: 50c a line of seven words; minimum \$3.00. No display. Cash Basis Only. Remittance Must Accompany Order.

EXECUTIVES WANTED

FROM COAST TO COAST

ON ACCOUNT of the past declining business period, many professional men with excellent records, are not working at their proper vocations. At this time of improvement, they should attempt to return to their proper places. Confidence guaranteed. Refund provided for. A moderate retaining fee may be paid to finance campaign. Send name and address to R. H. Bar and Company, 424 Book Building, Detroit, Michigan.

SALARIED POSITIONS \$2,500 to \$26,000. This thoroughly organized advertising service of 25 years' recognized standing and reputation carries on preliminary negotiations for positions of the caliber indicated, through a procedure individualized to each client's personal requirements. Several weeks are required to negotiate and each individual must finance the moderate cost of his own campaign. Retaining fee protected by a refund provision as stipulated in our agreement. Identity is covered and, if employed, present posi-

tion protected. If you have actually earned over \$2,500, send only name and address for details. R. W. BIXBY, Inc., 118 Delward Bldg., Buffalo, N. Y.

POSITION WANTED

EXPERIENCED advertising, sales-promotion and idea man, copy and publicity writer, fine record important companies and agencies. Good executive type for modest money. Seeks reliable connection New York area. Box 426, SALES MANAGEMENT, 420 Lexington Avenue, New York, N. Y.

Being NEITHER YOUNG NOR BEAUTIFUL, I concentrate on being useful (vide Ben Franklin). Have been a trade paper editor for years, and now a free lance in search of work. Can write forceful and lucid English. Will prepare folders, booklets, catalogs, sales literature, at modest prices. Am competent and dependable. Can cover all details. Inquiries imply no obligation whatever. Frank W. Kirk, Room 1632, 333 N. Michigan Ave., Chicago. Phone: State 1266.

IN BALTIMORE

76 National Advertisers

Use Our Window, Interior, Counter
DISPLAY INSTALLATIONS

MARGOLIS Display Service

26 S. Charles Street Baltimore, Md.

PHOTOSTATS
COMMERCE PHOTO-PRINT CORPORATION
1 WALL STREET

233 Broadway 56 Pine St.
80 Maiden Lane 33 W. 42nd St.
Dlghy 4-9135-6-7-8

TORONTO
MONTREAL
WINNIPEG
LONDON, Eng.

GIBBONS KNOWS CANADA

REGINA
CALGARY
EDMONTON
VANCOUVER

C o m m e n t

EXTENSION OF NRA: The special message of President Roosevelt and remarks of such important officials as S. Clay Williams and Donald Richberg clearly argue for a two-year extension of NRA in simplified form. Opposition to this plan does not appear tremendously formidable because, no doubt, most people think that it does involve certain features well worth retaining and also that it is not practical to jump quickly out of the regulations and rulings which it has taken many months to make operative. . . . While it may be desirable to retain such features as minimum wages, maximum hours and elimination of child labor, it is, nevertheless, certain that NRA continues to involve many complicated problems such as (1) price fixing or price control provisions, (2) monopolistic provisions, whether actual or only alleged, and (3) trade practice provisions. As far as these three phases are concerned, nothing approaching standardization is possible for industry as a whole. *They involve an intricate custom-built problem for each industry.* . . . While the forthcoming public hearings may develop some illuminating guidance, it is also probable that absolute solutions acceptable to all the factors in a given industry will prove close to impossible. This means debates and arguments that will continue for months and years to come, regardless of just what specific legislation is adopted for extension of NRA. It, therefore, behooves sales executives (because most of the debatable phases bear directly on the selling side of business) to follow closely legislative developments at Washington and code evolutions which must necessarily follow in the wake of such legislation. Whether profitless selling, whether destructive competition, whether trade practices which are patently unfair, and whether competitive chiseling can ever be eliminated on even a 90% basis, is something of a question. We think it sounder to remain somewhat skeptical of the degree of perfection which can be attained now or later through NRA codes. But in "the extended era" of NRA we think that axe grinding for individual factions within a given industry should give way to business statesmanship for industries as a whole.

THE GOLD CLAUSES: For weeks business men worried about the impending decisions on the so-called gold clause cases before the Supreme Court. Government officials continually stated that there was no great cause for alarm because even if the decisions should be adverse to the Administration, prompt steps would be taken to prevent drastic upheavals. Yet business men continued to worry and to *postpone the kind of decisions* which are responsible for the forward progress of business. . . . Any intelligent survey would reveal that something like 80% of the business executives who worried about the gold clauses had only a smattering knowledge of what

might result, no matter which way the decisions might be rendered. But the gold clause cases proved hot news for the daily press and this amplified the number of people who worried even though they had relatively little technical understanding of what it was all about. The Supreme Court decisions are now in the record. And one more bugaboo of worry is out of the way, temporarily at least. But it leaves us thinking that on many issues of this kind, sales executives ought to proceed on the premise that they must keep on trying to succeed in business, regardless of what may or may not happen in Washington. . . . To be sure, if we are sailing along at a fair rate with a good southerly breeze and all of a sudden we run into a northeaster, we must change our sailing tactics. But it does not pay to quit sailing while waiting for a new wind to come up from a different and unknown direction. . . . This may sound somewhat trite, but it is apropos because of the depression-born habit of American business men to start worrying about some new thing which has not yet happened just as soon as some old problem gets settled. With such other measures still before Congress as bonus legislation, the work relief bill, the thirty-hour week, banking revision and social security, it is easy to be led from one source of worry to another. Yet worry and successful sales management cannot go hand in hand. Sales executives must proceed with their day to day business and their daily making of decisions—and in the end, they (and not Congress) will win the halo. For sales aggressiveness and sales enterprise on the part of private business can do more to improve economic conditions than all the legislation which can be piled into five sessions of Congress.

AGRICULTURE AND WORLD TRADE: The division of information of the Agricultural Adjustment Administration (part of the Department of Agriculture) has recently issued a booklet entitled "Agriculture's Interest in America's World Trade." It has been prepared in a somewhat unusual form in that it consists of questions and answers on subjects which not only concern agriculture, but business as a whole. Regardless of one's opinion on the matter of tariff policy, on the practicability of reciprocal trade agreements with other nations, or even the inevitability of increasing nationalism on the part of many important countries, this booklet treats its subject in an open-minded manner. It also successfully reduces many complex phases to terms which can be readily comprehended, and last, but not least, provides an understanding of what the enduring success of agriculture means to the manufacturing industries of the country. It makes good *current reading.*

Ray Bill